United Nations S/AC.49/2017/5

Security Council

Distr.: General
22 February 2017
English
Original: French

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 21 February 2017 from the Permanent Mission of Monaco to the United Nations addressed to the Chair of the Committee

The Permanent Mission of the Principality of Monaco to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to Security Council resolution 1718 (2006) and, with reference to the provisions of Security Council resolution 2321 (2016), has the honour to communicate the following.

Further to its note verbale of 12 May 2016 (S/AC/49/2016/2) concerning Security Council resolution 2270 (2016), the Permanent Mission has the honour to inform you that:

- Under ministerial order No. 2016-770 of 15 December 2016, the list of persons covered by annexes I and II to resolution 2321 (2016) is being reviewed and updated;
- Pursuant to ministerial order No. 2011-237 of 15 April 2011, the Financial Network Information Service, during its operations to monitor professionals who are subject to Act No. 1362 of 3 August 2009 on combating money-laundering, the financing of terrorism and corruption, is ensuring compliance with the prohibition of any public or private financial support for individuals domiciled, registered or established in the Democratic People's Republic of Korea.

17-03088 (E) 270217 010317

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United Nations S/AC.49/2017/6

Security Council

Distr.: General
22 February 2017

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 22 February 2017 from the Permanent Mission of Portugal to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Portugal to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to submit its report on the implementation of resolution 2270 (2016) (see annex).

17-03096 (E) 030317

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Annex to the note verbale dated 22 February 2017 from the Permanent Mission of Portugal to the United Nations addressed to the Chair of the Committee

Report by Portugal on the implementation of Security Council resolution 2270 (2016)

I. Introduction

The Government of Portugal is committed to implementing Security Council resolution 2270 (2016) and all previous Security Council sanctions resolutions on the Democratic People's Republic of Korea, namely, resolutions 1718 (2006), 1874 (2009), 2087 (2013) and 2094 (2013), and to rendering full cooperation to the Security Council Committee established pursuant to resolution 1718 (2006).

Portugal is a party to international treaties concerning the non-proliferation of weapons of mass destruction, including the Treaty on the Non-Proliferation of Nuclear Weapons, the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction and the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction. It is also a member of all export control regimes, namely, the Nuclear Suppliers Group, the Missile Technology Control Regime, the Australia Group, the Zangger Committee and the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies.

The Government of Portugal has taken the necessary legislative and executive measures to implement the Security Council sanctions resolutions on the Democratic People's Republic of Korea, and submitted its national implementation reports in 2006, 2009 and 2013.

II. Measures taken to implement resolution 2270 (2016)

Security Council resolutions are implemented into the domestic law of Portugal through decisions and regulations of the Council of the European Union, which are directly applicable in all Member States. Regulations have general application and are binding in their entirety on European Union citizens and businesses; decisions are binding in their entirety on those to whom they are addressed, i.e., all Member States (article 288 of the Treaty on the Functioning of the European Union). All European Union restrictive measures are published in the Official Journal of the European Union.

Resolution 2270 (2016) was transposed into the legal framework of the European Union, and therefore the legal framework of Portugal, by the following legal acts:

- Decision 2016/319/CFSP of the Council of the European Union of 4 March 2016, amending Decision 2013/183/CFSP.
- Implementing Regulation (European Union) 2016/315 of the European Commission of 4 March 2016, amending Council Regulation (EC) No. 329/2007, implementing the measures provided under Council Decision 2016/319/CFSP (see above).

By the above legal acts, which entered into force on 5 March 2016, the European Union added 16 people and 12 entities to the list of targets subject to

European Union restrictive measures (travel ban and asset freeze) against the Democratic People's Republic of Korea, transposing the new listings imposed by Security Council resolution 2270 (2016) in response to the nuclear test and rocket launch by the Democratic People's Republic of Korea on 6 January 2016 and 7 February 2016, respectively.

By the following legal acts, which entered into force on either 1 April 2016 or 4 May 2016, the European Union expanded restrictive measures against the Democratic People's Republic of Korea in accordance with Security Council resolution 2270 (2016):

- Decision 2016/476/CFSP of 31 March 2016, amending Decision 2013/183/CFSP.
- Regulation (European Union) 2016/682 of the Council of the European Union of 29 April 2016, amending Council Regulation (EC) No. 329/2007, implementing the measures provided under Council Decision 2016/476/CFSP (see above).

The measures include:

(a) Extension of export and import prohibitions to any item (except food or medicine) that could contribute to the development of the operational capabilities of the Democratic People's Republic of Korea armed forces;

(b) Enforcement of new cargo inspection and maritime procedures, including mandatory inspection of cargo destined for and originating in the Democratic People's Republic of Korea;

(c) Ban on chartering by the Democratic People's Republic of Korea of vessels or aircraft, and a requirement to deregister vessels;

(d) Ban on export to the Democratic People's Republic of Korea of aviation fuel;

(e) Ban on operating Democratic People's Republic of Korea vessels or using Democratic People's Republic of Korea flags;

(f) Requirement to expel Democratic People's Republic of Korea representatives and third country nationals involved in illicit programmes (as identified by the relevant Security Council resolutions) of the Democratic People's Republic of Korea;

(g) Ban on flights (of any plane) or port calls (of any vessel) if related to prohibited items, prohibited activities or designated persons or entities;

(h) Ban on export from the Democratic People's Republic of Korea of certain mineral products (including coal, iron, iron ore, gold, titanium ore and vanadium ore);

(i) Ban on specialized training or teaching for nationals of the Democratic People's Republic of Korea in specific fields that could contribute to proliferation-sensitive activities of the Democratic People's Republic of Korea.

Moreover, additional financial measures were introduced, including:

(j) An asset freeze on government entities associated with the Democratic People's Republic of Korea nuclear or ballistic missile programmes or other activities prohibited by Security Council resolutions;

(k) An obligation, on the territory of Member States:

(i) To close existing branches, subsidiaries or representative offices of Democratic People's Republic of Korea banks;

(ii) To end existing joint ventures, ownership interests and correspondent banking relationships with Democratic People's Republic of Korea banks;

(iii) To close existing branches, subsidiaries or banking accounts in the Democratic People's Republic of Korea if they could contribute to illicit programmes in that country;

(iv) To ban private financial support for trade if such financial support could contribute to illicit programmes in the Democratic People's Republic of Korea;

(l) Prohibition of Member States from opening branches in the Democratic People's Republic of Korea.

The penalties applicable to infringements of financial and trade sanctions imposed by Security Council resolutions or European Union regulations are implemented by Portuguese Law No. 11/2002 of 16 February 2002.

III. Information from Portuguese entities

The Ministry of Defence of Portugal certifies that the duly authorized defence economic operators are fully aware of the existing sanctions regime. No export, or import, license for the shipment of defence-related products to or from the Democratic People's Republic of Korea was submitted, so no refusal was issued.

The Bank of Portugal (*Banco de Portugal*) ensures the public dissemination of the sanctions regime and publishes the sanctions regime established by the Security Council and the lists adopted by the United Nations and the European Union of persons and entities that are in violation of international law or human rights, or that do not respect the rule of law or democratic principles, and therefore should have their financial and economic assets frozen, including those derived from property funds, directly or indirectly owned by them or under their control.

Following the public statements of the Financial Action Task Force, the Bank of Portugal issued national guidance specifying that the Democratic People's Republic of Korea is subject to countermeasures to protect the international financial system from the ongoing and substantial money-laundering and terrorist financing risks emanating from certain jurisdictions. In addition, the Bank of Portugal also informed the relevant national entities and stakeholders that transactions concerning the Democratic People's Republic of Korea, including transactions made or intermediated by entities of the mentioned jurisdictions, present a higher risk of money-laundering or terrorism financing for the purposes of compliance with the obligations prescribed by Law No. 25/2008 of 5 June 2008, including the ones provided in its article 12° §2, and encouraged those entities to adopt enhanced customer due diligence towards these jurisdictions.

In October 2016, the Bank of Portugal requested that the relevant financial entities under its supervision provide information about any action concerning restrictive measures against the Democratic People's Republic of Korea, including the freezing of funds. These entities responded that they did not have any business relationship, nor had they carried out any occasional transaction with the persons or entities listed by the Security Council or the European Union under the Democratic People's Republic of Korea sanctions regime.

United Nations S/AC.49/2017/7

Security Council

Distr.: General
23 February 2017
English
Original: Russian

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 22 February 2017 from the Permanent Mission of the Russian Federation to the United Nations addressed to the Chair of the Committee

The Permanent Mission of the Russian Federation to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and, in accordance with paragraph 36 of Security Council resolution 2321 (2016), has the honour to communicate the following.

The Russian Federation is fully implementing the provisions of the Security Council's sanctions regime against the Democratic People's Republic of Korea, including the obligations stemming from resolution 2321 (2016). A draft decree of the President of the Russian Federation on the implementation of the resolution, drawn up by the Ministry of Foreign Affairs of the Russian Federation, is currently before the relevant ministries and departments of the Russian Federation for review.

On the day of the adoption of the resolution, 30 November 2016, the Ministry of Foreign Affairs of the Russian Federation also informed the executive bodies that the provisions of the resolution are applicable in the country's territory pending the issuance of the decree of the President of the Russian Federation.

17-03514 (E) 020317 080317

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United Nations S/AC.49/2017/8

Security Council

Distr.: General
24 February 2017

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 23 February 2017 from the Permanent Mission of New Zealand to the United Nations addressed to the Chair of the Committee

The Permanent Mission of New Zealand to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith the report prepared by New Zealand pursuant to paragraph 36 of Council resolution 2321 (2016) (see annex).

17-03176 (E) 280217

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Annex to the note verbale dated 23 February 2017 from the Permanent Mission of New Zealand to the United Nations addressed to the Chair of the Committee

Report of New Zealand on the implementation of Security Council resolution 2321 (2016)

In paragraph 36 of Security Council resolution 2321 (2016), the Council called upon all States to report to the Council within 90 days of the adoption of the resolution, and thereafter upon request by the Committee, on concrete measures they had taken in order to implement effectively the provisions of the resolution.

New Zealand wishes to inform the Security Council Committee established pursuant to resolution 1718 (2006) that many provisions of resolution 2321 (2016) are already being implemented through New Zealand's current policy and the existing United Nations Sanctions (Democratic People's Republic of Korea) Regulations 2006 (last amended in 2013). Implementation of the remaining provisions of the resolution is well under way. In that regard, New Zealand takes note of Implementation Assistance Notice No. 2: guidelines on the preparation and submission of national implementation reports, as most recently updated on 25 January 2017 by the Committee. New Zealand will submit an additional report to the Committee as soon as the domestic process to implement the remaining provisions is complete.

United Nations S/AC.49/2017/9

Security Council

Distr.: General
24 February 2017

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 24 February 2017 from the Permanent Mission of Japan to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Japan to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and, in accordance with paragraph 36 of Security Council resolution 2321 (2016), has the honour to submit to the Committee the national report of the Government of Japan on the implementation of resolution 2321 (2016) (see annex).

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Annex to the note verbale dated 24 February 2017 from the Permanent Mission of Japan to the United Nations addressed to the Chair of the Committee

Report to the Security Council pursuant to paragraph 36 of resolution 2321 (2016)

1. The basic position of Japan

Nuclear tests and ballistic missile launches by the Democratic People's Republic of Korea are unforgivable outrageous acts and totally unacceptable. The nuclear test on 9 September 2016 and the series of launches of more than 20 ballistic missiles in 2016 alone constitute a new level of threat to the entire international community, including Japan. The nuclear tests and the ballistic missile launches by the Democratic People's Republic of Korea are flagrant and repeated violations of the relevant Security Council resolutions and represent a grave challenge to the international disarmament and non-proliferation regime centred on the Treaty on the Non-Proliferation of Nuclear Weapons.

The Government of Japan highly appreciates that the Security Council unanimously adopted resolution 2321 (2016), which remarkably reinforces the sanctions on the Democratic People's Republic of Korea in response to the nuclear test on 9 September 2016 and the series of ballistic missile launches. The resolution clearly demonstrates the international community's determination to take a resolute stand against the Democratic People's Republic of Korea. Japan strongly demands that the Democratic People's Republic of Korea seriously heed the call of the international community and refrain from any provocations and fully comply with Security Council resolutions, including resolution 2321 (2016).

The Government of Japan has steadily undertaken measures to implement resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) and 2321 (2016) and strongly urges the Democratic People's Republic of Korea to take concrete actions towards the resolution of outstanding issues of concern, such as the abductions and nuclear and missile issues. The Government of Japan will continue to work closely with Member States towards the full implementation of the resolutions to ensure their effectiveness.

The Government of Japan also reaffirms that it will continue to work closely with the Security Council Committee established pursuant to resolution 1718 (2006), as well as with the Panel of Experts established pursuant to resolution 1874 (2009).

2. Measures relating to resolution 2321 (2016)

The measures taken by the Government of Japan to implement resolution 2321 (2016) are described below. These are followed by newly introduced autonomous measures set out in section 3 of the present report. Existing measures against the Democratic People's Republic of Korea have previously been reported to the Security Council (see S/AC.49/2006/10, S/AC.49/2009/7, S/AC.49/2013/7 and S/AC.49/2016/5).

(a) Financial measures

(i) Paragraph 3

- The Government of Japan has introduced measures, based on the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949), to prevent the transfer

of any financial resources to and from the 11 individuals and 10 entities designated in annexes I and II to resolution 2321 (2016).

(ii) Paragraph 31

- In accordance with resolutions 2094 (2013), 2270 (2016) and 2321 (2016), financial institutions in Japan do not have any existing representative offices, subsidiaries or banking accounts in the Democratic People's Republic of Korea.
- The Government of Japan also formally requested financial institutions in Japan not to open branches, subsidiaries, representative offices or banking accounts in the Democratic People's Republic of Korea.
- No violation or negligence by Japanese entities has been observed.

(iii) Paragraph 32

- The Government of Japan has banned imports from the Democratic People's Republic of Korea since 14 October 2006 and exports to the country since 18 June 2009, based on the Foreign Exchange and Foreign Trade Act. These measures have prevented the supply, sale or transfer to or procurement from the Democratic People's Republic of Korea of any items, irrespective of their purpose or nature. Neither the Government of Japan nor Japanese insurance institutions provide financial services for trade with the Democratic People's Republic of Korea.
- No violation or negligence by Japanese entities has been observed.

(iv) Paragraph 33

- The Government of Japan will expel an individual, in accordance with applicable domestic laws, including the Immigration Control and Refugee Recognition Act (Cabinet order No. 319 of 1951), where it is determined that the individual is working on behalf of or at the direction of a bank or financial institution of the Democratic People's Republic of Korea.

(v) Paragraph 35

- The Government of Japan requires, as part of its autonomous measures against the Democratic People's Republic of Korea, that people departing from Japan for the Democratic People's Republic of Korea while carrying currency or other payment methods with a value equivalent to more than 100,000 yen make a declaration to Japanese customs upon their departure.

(b) Measures concerning the movement of persons

(i) Paragraphs 3 and 25

- Based on the Immigration Control and Refugee Recognition Act, the Government of Japan has introduced measures to prevent entry into Japan or transit through Japanese territory, including but not limited to transit in a manner specified in paragraph 25, by the 11 individuals designated in annex I to resolution 2321 (2016) for their association with the programmes of the Democratic People's Republic of Korea related to nuclear, ballistic missiles or other weapons of mass destruction.

(ii) Paragraph 10

- The Government of Japan has already taken the measures necessary, based on the Foreign Exchange and Foreign Trade Act, to prevent any transfer to the Democratic People's Republic of Korea of technical training, advice, services or assistance involving items, materials, equipment, goods or technology related to nuclear, ballistic missiles or other weapons of mass destruction.
- In February 2017, the Government of Japan formally requested that domestic universities, research institutions and other related business associations refrain from providing specialized teaching or training, as referred to in paragraph 10.
- No violation or negligence by Japanese entities has been observed.

(iii) Paragraph 11

- In February 2017, the Government of Japan formally requested that domestic universities, research institutions and other related business associations refrain from undertaking scientific and technical cooperation, as referred to in paragraph 11.
- No violation or negligence by Japanese entities has been observed.

(iv) Paragraphs 15 and 34

- As part of its autonomous measures against the Democratic People's Republic of Korea, the Government of Japan has banned the entry of any nationals from that country into Japan, irrespective of the purpose of entry.

(c) Measures concerning the movement of goods and the transfer of technical training, advice, services or assistance

(i) Paragraphs 4, 5, 7, 26, 28, 29 and 30

- The Government of Japan has banned imports from the Democratic People's Republic of Korea since 14 October 2006 and exports to the country since 18 June 2009, based on the Foreign Exchange and Foreign Trade Act. These measures have prevented the supply, sale or transfer to or procurement from the Democratic People's Republic of Korea of any items, irrespective of their purpose or nature.

(ii) Paragraph 13

- Personal luggage and checked baggage of any individual entering Japan is to undergo inspection.
- In addition, the Government of Japan will take appropriate measures in accordance with applicable domestic laws in such cases as required by resolution 2321 (2016).

(d) Restrictions on maritime and air transport

(i) Paragraphs 8, 9 and 24

- In January 2017, the Government of Japan formally requested relevant Japanese entities to refrain from leasing or chartering vessels or aircraft and from providing crew services to the Democratic People's Republic of Korea.
- In December 2016 and January 2017, the Government of Japan also formally requested relevant Japanese entities to refrain from registering vessels in the

Democratic People's Republic of Korea, obtaining authorization for a vessel to use the flag of the Democratic People's Republic of Korea, and from owning, leasing, operating, or providing any vessel classification, certification or associated service, or insuring any vessel flagged by the Democratic People's Republic of Korea.

- No violation or negligence by Japanese entities has been observed.

(ii) Paragraph 12

- In January 2017, the Government of Japan formally requested relevant Japanese entities to refrain from dealing or cooperating with individuals and entities designated as the target of sanctions.
- The Government of Japan will take appropriate measures in accordance with applicable domestic laws when required by the Security Council Committee established pursuant to resolution 1718 (2006), as specified in paragraph 12.

(iii) Paragraph 20

- The Government of Japan will deny permission to flag aircraft of the Democratic People's Republic of Korea to take off from, land in or overfly Japanese territory based on the Civil Aeronautics Act (Act No. 231 of 1952).

(iv) Paragraph 22

- In December 2016, the Government of Japan formally requested relevant Japanese entities to refrain from providing insurance or re-insurance service to vessels owned, controlled or operated by the Democratic People's Republic of Korea.

(v) Paragraph 23

- In January 2017, the Government of Japan formally requested relevant Japanese entities to refrain from procuring vessel and aircraft crewing services from the Democratic People's Republic of Korea.

(vi) Paragraph 40

- The Government of Japan seizes and disposes of items prohibited for the supply, sale, transfer or export by the relevant resolutions, based on the Act on special measures concerning cargo inspections, etc. conducted by the Government taking into consideration United Nations Security Council resolution 1874 (2009), etc.

(e) Restrictions on the diplomatic and consular offices of the Democratic People's Republic of Korea

(i) Paragraphs 14, 16, 17, 18 and 19

- Japan has no diplomatic relations with the Democratic People's Republic of Korea, and no embassy or consulates of the Democratic People's Republic of Korea exist in Japan.

3. Recent autonomous measures taken by the Government of Japan against the Democratic People's Republic of Korea

The Government of Japan has taken autonomous measures against the Democratic People's Republic of Korea, as set out in its previous reports to the Security Council (see S/AC.49/2009/7, S/AC.49/2013/7 and S/AC.49/2016/5).

Following the recent violations of relevant Security Council resolutions by the Democratic People's Republic of Korea, including its nuclear test on 9 September 2016 and the series of ballistic missile launches, which constitute direct and grave threats to Japan and seriously undermine the peace and security of the international community, the Government of Japan decided on 2 December 2016 to take the following additional measures in its efforts towards the comprehensive resolution of outstanding issues of concern, such as the abductions and nuclear and missile issues:

(a) With regard to measures concerning the movement of persons, the Government of Japan has:

(i) Increased the number of persons in a position to assist officials of the Democratic People's Republic of Korea residing in Japan who are subject to the ban on re-entry after travelling to the Democratic People's Republic of Korea;

(ii) Increased the number of foreign experts on nuclear and missile technology residing in Japan who are subject to the ban on re-entry after travelling to the Democratic People's Republic of Korea.

(b) The Government of Japan has banned the entry of all vessels that have previously called at ports in the Democratic People's Republic of Korea by including in the ban Japanese-flagged vessels that have previously called at ports in the Democratic People's Republic of Korea.

(c) The Government of Japan has increased the number of entities and individuals designated for asset-freezing measures in relation to the nuclear and missile programmes of the Democratic People's Republic of Korea and other related programmes.

United Nations S/AC.49/2017/10

Security Council

Distr.: General
24 February 2017
English
Original: Spanish

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 23 February 2017 from the Permanent Mission of Uruguay to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Uruguay to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to submit herewith the report on its implementation of resolution 2321 (2016) (see annex).

17-03501 (E) 080317

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Annex to the note verbale dated 23 February 2017 from the Permanent Mission of Uruguay to the United Nations addressed to the Chair of the Committee

Report on implementation of Security Council resolution 2321 (2016) on the sanctions regime against the Democratic People's Republic of Korea

With regard to the measures contained in Security Council resolution 2321 (2016), the Eastern Republic of Uruguay, in line with its traditional position of defending multilateralism, non-proliferation, respect for international law and the peaceful settlement of disputes, has been a member of the first nuclear-weapon-free zone in the world (Treaty of Tlatelolco) since that zone was established and is not a member of any nuclear suppliers' group.

Uruguay was also one of the signatories of the 1968 Treaty on the Non-Proliferation of Nuclear Weapons, ratifying it promptly. On 25 September 2014, it deposited its instrument of ratification for the Arms Trade Treaty.

Uruguay is making every effort in this area to take the necessary steps to carry out the provisions of the above-mentioned resolution.

With regard to financial measures, there is a bill in the Uruguayan Parliament to standardize the procedures for checking the individuals and entities included in the lists annexed to Security Council resolutions 1267 (1999), 1988 (2011), 1989 (2011), 1718 (2006), 1737 (2006) and any subsequent, similar or complementary resolutions adopted in this area.

The aforementioned bill also covers the procedure to be followed after preventive freezing, which basically consists of notifying the Financial Intelligence and Analysis Unit of the Central Bank of Uruguay and, through the Unit, the competent criminal court, and also establishing deadlines for the court to decide whether or not to maintain the freezing measure and, if it is maintained, for what period of time.

In addition, Uruguay is working towards adopting a system of implementation of the various resolutions concerning the Security Council sanctions committees, including resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) and 2321 (2016) on the Democratic People's Republic of Korea.

Accordingly, there is a plan to systematize the implementation of financial sanctions against the individuals referred to in the aforementioned resolutions by assigning powers to the relevant authorities and taking concrete steps.

The measures to be taken include the following: preventive freezing, immediately and without delay, of all funds and other financial assets or economic resources of listed persons and/or entities, and a prohibition on making funds available to such persons.

In addition, the National Customs Directorate is the national authority responsible for verification and control of sea, air and land customs operations involving the loading, unloading and dispatch of goods, which are carried out in full compliance with international obligations relating to customs control. The Directorate uses the comprehensive customs intelligence system, a tool for analysing cargo on arrival in order to identify risk profiles through the automatic and rigorous application of special rules.

It has also put in place an infrastructure project for physical inspection of merchandise that arrives at the port of Montevideo in containers. Since 2013, two facilities have been set up outside the port to process this type of cargo. These are the Montevideo verification centre and the Polo Oeste verification centre, where temporary admittance and import operations are verified. The facilities contribute some of the infrastructure and tools necessary for oversight of foreign trade.

At the international level, there is cooperation with neighbouring States and other regional partners to strengthen national border security. Uruguay participates actively in multilateral forums to address security issues in general and terrorism in particular, both through international bodies such as the United Nations, the International Criminal Police Organization (INTERPOL), the Organization of American States, the Union of South American Nations and the Southern Common Market, to name but a few, and at the bilateral level.

With regard to measures to control the entry into the national territory of individuals subject to sanctions under Security Council resolutions 2270 (2016) and 2321 (2016), the National Directorate for Migration works in coordination with INTERPOL to take immediate steps in response to INTERPOL alerts.

With regard to integrated risk control and border procedures, Uruguay has an integrated control system at the airport and at international bridges and ports.

In addition, the Government of Uruguay has fully implemented the provisions of resolution 2321 (2016) and previous resolutions relating to trade sanctions and restrictions on luxury goods with regard to the Democratic People's Republic of Korea. In that context, the Government of Uruguay wishes to emphasize that in 2016, there was no bilateral trade between the two countries.

Uruguay has neither provided the Democratic People's Republic of Korea with nor facilitated its acquisition of any kind of arms or related materiel or any items for their repair or testing or any related services.

Lastly, the Democratic People's Republic of Korea has not been the beneficiary of any South-South or triangular cooperation project involving our country, nor has Uruguay offered or accepted any type of military training from that country.

United Nations S/AC.49/2017/11

Security Council

Distr.: General
27 February 2017

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 26 February 2017 from the United States Mission to the United Nations addressed to the Chair of the Committee

The United States would like to submit its national implementation report (see annex) for Security Council resolution 2321 (2016) pursuant to paragraph 36 of that resolution.

17-03379 (E) 030317

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Annex to the note verbale dated 26 February 2017 from the United States Mission to the United Nations addressed to the Chair of the Committee

Report of the United States of America on the implementation of Security Council resolution 2321 (2016)

The present report describes concrete measures by which the United States implements paragraphs 3, 4, 15, 16, 18, 22-24, 26 and 29-33 of Security Council resolution 2321 (2016) regarding the Democratic People's Republic of Korea (DPRK). The United States considers it essential for Member States to fully and effectively implement the resolution. The United States intends to continue supporting other States' efforts, as requested, and to the extent possible, to implement the resolution.

Among the measures through which the United States implements the relevant provisions of the resolution are the following:

Paragraph 3. Decides that the measures specified in paragraph 8 (d) of resolution 1718 (2006) shall apply also to the individuals and entities listed in annex I and II of this resolution and to any individuals or entities acting on their behalf or at their direction, and to entities owned or controlled by them, including through illicit means, and decides further that the measures specified in paragraph 8 (e) of resolution 1718 (2006) shall also apply to the individuals listed in annex I of this resolution and to individuals acting on their behalf or at their direction

The United States has designated all of the individuals and entities listed in annex I to resolution 2321 (2016) for an asset freeze under various authorities administered by the Department of the Treasury and the Department of State. The rules of the Office of Foreign Assets Control extend this freeze to entities that are 50 per cent or more owned by designated persons. Individuals and entities acting on behalf or at the direction of a designated individual or entity, and entities that are controlled (but are not 50 per cent or more owned) by designated entities may be subject to derivative designations under the authority used to designate the primary target.

The names of all individuals listed in annex I have been entered into the appropriate consular database for assessment should an individual apply for a visa or entry. Individuals and entities acting on behalf or at the direction of a designated individual or entity may be subject to derivative designations under the authority used to designate the primary target.

The Department of Homeland Security has the authority to deny entry into or transit of aliens through the United States based on grounds specified by the relevant laws and regulations, including, for example, 8 U.S.C. §§ 1182 (a) (3) (C) and (f).

Paragraph 4. Decides that the measures imposed in paragraph 8 (a), 8 (b) and 8 (c) of resolution 1718 (2006) shall also apply to the items, materials, equipment, goods and technology listed in annex III of this resolution

The United States does not permit the export or re-export to North Korea of any items that could contribute to North Korea's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes. These restrictions apply to the items listed in annex III to the resolution, which include items that are controlled for nuclear non-proliferation, missile technology, and chemical and biological reasons and items that could contribute to North Korea's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes.

The items in that annex require a licence from the United States Department of Commerce under the Export Administration Regulations (EAR) for export or re-export to North Korea. Applications for export and re-export to all end users in North Korea of the items listed in annex III are subject to a policy of denial.

The United States works with like-minded countries, including those in the Wassenaar Arrangement, the Nuclear Suppliers Group, the Zangger Committee, the Missile Technology Control Regime, the Australia Group and the Proliferation Security Initiative, and participates in outreach programmes to non-member countries, to prevent transfers to North Korea of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of the items in annex III to the resolution.

Paragraph 11. Decides that all Member States shall suspend scientific and technical cooperation involving persons or groups officially sponsored by or representing the DPRK except for medical exchanges unless:

(a) In the case of scientific or technical cooperation in the fields of nuclear science and technology, aerospace and aeronautical engineering and technology, or advanced manufacturing production techniques and methods, the Committee has determined on a case-by-case basis that a particular activity will not contribute to the DPRK's proliferation sensitive nuclear activities or ballistic missile-related programmes; or

(b) In the case of all other scientific or technical cooperation, the State engaging in scientific or technical cooperation determines that the particular activity will not contribute to the DPRK's proliferation sensitive nuclear activities or ballistic missile-related programmes and notifies the Committee in advance of such determination

Section 1 of Executive Order 13570, administered by the Department of the Treasury in consultation with the Department of State, prohibits the importation into the United States, directly or indirectly, of any goods, services or technology from the DPRK. Section 1 (a) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, in relevant part blocks all property and interests in property of the DPRK Government. Section 3 (a) (i) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, prohibits the exportation or re-exportation, direct or indirect, from the United States, or by a United States person, wherever located, of any goods, services or technology to the DPRK, except as otherwise licensed or exempted.

The Department of Commerce restricts exports and re-exports United States-origin technology and software to the DPRK, whether by United States persons or non-United States persons, including "deemed" exports and re-exports (releases of

technology subject to the EAR to a foreign national in the United States or in a third country). Provision of specialized teaching or training to DPRK nationals could constitute an export of services to the DPRK under the Executive Order (and is thus prohibited except as licensed or exempt). Such teaching or training could also involve a release of technology to a foreign national; if the technology is subject to the EAR, the Bureau of Industry and Security would restrict its release.

Paragraph 15. Decides that all Member States shall take steps to restrict the entry into or transit through their territory of members of the Government of the DPRK, officials of that Government, and members of the DPRK armed forces, if the State determines that such members or officials are associated with the DPRK's nuclear or ballistic missile programmes or other activities prohibited by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), or this resolution

The Department of Homeland Security has the authority to deny entry into or transit through the United States of aliens deemed inadmissible on grounds specified by the relevant laws and regulations, including, for example, 8 U.S.C. §§ 1182 (a) (3) (C) and (f).

Paragraph 16. Decides that all States shall take steps to limit the number of bank accounts to one per DPRK diplomatic mission and consular post, and one per accredited DPRK diplomat and consular officer, at banks in their territory

Section 1 (a) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, in relevant part blocks all property and interests in property of the DPRK Government. Provision of goods or services in the United States to the official mission of the DPRK to the United Nations is authorized by a general licence. However, on 20 December 2016, the Department of the Treasury amended this general licence to require United States financial institutions to obtain specific licences to operate accounts for, and extend credit to, the DPRK mission or to the employees of that mission. Subsequently, the Department of the Treasury specifically licensed a United States financial institution to establish and operate one bank account for the mission and to establish and operate one bank account for each accredited member of the mission.

Paragraph 18. Decides that all Member States shall prohibit the DPRK from using real property that it owns or leases in their territory for any purpose other than diplomatic or consular activities

Section 1 (a) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, in relevant part blocks all property and interests in property of the DPRK Government. Provision of goods or services in the United States to the official mission of the DPRK to the United Nations is authorized by a general licence, but that authorization is limited to activities for the conduct of the official business of the mission.

Paragraph 22. Decides that all Member States shall prohibit their nationals, persons subject to their jurisdiction and entities incorporated in their territory or subject to their jurisdiction from providing insurance or re-insurance services to vessels owned, controlled, or operated, including through illicit means, by the DPRK unless the Committee determines on a case-by-case basis that the vessel is engaged in activities exclusively for livelihood purposes which will not be used by

DPRK individuals or entities to generate revenue or exclusively for humanitarian purposes

Section 1 (a) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, in relevant part blocks all property and interests in property of the DPRK Government. Section 3 (a) (i) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, prohibits the exportation or re-exportation, direct or indirect, from the United States, or by a United States person, wherever located, of any goods, services or technology to the DPRK, except as otherwise licensed or exempted.

Paragraph 23. Decides that all Member States shall prohibit their nationals from procuring vessel and aircraft crewing services from the DPRK

Section 1 of Executive Order 13570, administered by the Department of the Treasury in consultation with the Department of State, prohibits the importation into the United States, directly or indirectly, of any goods, services or technology from the DPRK. Section 1 (a) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, in relevant part blocks all property and interests in property of the DPRK Government.

Paragraph 24. Decides that all Member States shall de-register any vessel that is owned, controlled, or operated by the DPRK, and further decides that Member States shall not register any such vessel that has been de-registered by another Member State pursuant to this paragraph

Section 1 (a) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, in relevant part blocks all property and interests in property of the DPRK Government. Section 3 (a) (i) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, prohibits the exportation or re-exportation, direct or indirect, from the United States, or by a United States person, wherever located, of any goods, services or technology to the DPRK, except as otherwise licensed or exempted.

Consolidated response to paragraphs 26, 28 and 29

Paragraph 26. Decides that paragraph 29 of resolution 2270 (2016) shall be replaced by the following:

> *"Decides that the DPRK shall not supply, sell or transfer, directly or indirectly, from its territory or by its nationals or using its flag vessels or aircraft, coal, iron, and iron ore, and that all States shall prohibit the procurement of such material from the DPRK by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of the DPRK, and decides that this provision shall not apply with respect to:*
>
> *(a) Coal that the procuring State confirms on the basis of credible information has originated outside the DPRK and was transported through the DPRK solely for export from the Port of Rajin (Rason), provided that the State notifies the Committee in advance and such transactions are unrelated to generating revenue for the DPRK's nuclear or ballistic missile programmes or*

other activities prohibited by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) or this resolution;

(b) Total exports to all Member States of coal originating in the DPRK that in the aggregate do not exceed 53,495,894 US dollars or 1,000,866 metric tons, whichever is lower, between the date of adoption of this resolution and 31 December 2016, and total exports to all Member States of coal originating in the DPRK that in the aggregate do not exceed 400,870,018 US dollars or 7,500,000 metric tons per year, whichever is lower, beginning 1 January 2017, provided that the procurements (i) involve no individuals or entities that are associated with the DPRK's nuclear or ballistic missile programmes or other activities prohibited by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) or this resolution, including designated individuals or entities, or individuals or entities acting on their behalf or at their direction, or entities owned or controlled by them, directly or indirectly, or individuals or entities assisting in the evasion of sanctions, and (ii) are exclusively for livelihood purposes of DPRK nationals and unrelated to generating revenue for the DPRK's nuclear or ballistic missile programmes or other activities prohibited by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) or this resolution, and decides that each Member State that procures coal from the DPRK shall notify the Committee of the aggregate amount of the volume of such procurement for each month no later than 30 days after the conclusion of that month on the form in annex V to this resolution, directs the Committee to make publicly available on its website the volume of procurement of coal from the DPRK reported by Member States and value calculated by the Committee Secretary, as well as the amount reported for each month and with the number of States that reported for each month, directs the Committee to update this information on a real-time basis as it receives notifications, calls upon all States that import coal from the DPRK to periodically review this website to ensure that they do not exceed the mandatory aggregate annual limit, directs the Committee Secretary to notify all Member States when an aggregate value or volume of coal procurements from the DPRK of 75 per cent of the aggregate yearly amount has been reached, also directs the Committee Secretary to notify all Member States when an aggregate value or volume of coal procurements from the DPRK of 90 per cent of the aggregate yearly amount has been reached, further directs the Committee Secretary to notify all Member States when an aggregate value or volume of coal procurements from the DPRK of 95 per cent of the aggregate yearly amount has been reached and to inform them that they must immediately cease procuring coal from the DPRK for the year, and requests the Secretary-General to make the necessary arrangements to this effect and provide additional resources in this regard; and

(c) Transactions in iron and iron ore that are determined to be exclusively for livelihood purposes and unrelated to generating revenue for the DPRK's nuclear or ballistic missile programmes or other activities prohibited by resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) or this resolution."

Paragraph 28. Decides that the DPRK shall not supply, sell or transfer, directly or indirectly, from its territory or by its nationals or using its flag vessels or aircraft, copper, nickel, silver and zinc, and that all Member States shall prohibit the procurement of such material from the DPRK by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of the DPRK;

Paragraph 29. Decides that the DPRK shall not supply, sell or transfer, directly or indirectly, from its territory or by its nationals or using its flag vessels or aircraft, statues, and that all States shall prohibit the procurement of such items from the DPRK by their nationals, or using their flag vessels or aircraft, whether or not originating in the territory of the DPRK, unless the Committee approves on a case-by-case basis in advance

Section 1 of Executive Order 13570, administered by the Department of the Treasury in consultation with the Department of State, prohibits the importation into the United States, directly or indirectly, of any goods, services or technology from the DPRK. Section 2 (a) of Executive Order 13570 prohibits any transaction by a United States person or within the United States that evades or avoids, has the purpose of evading or avoiding, causes a violation of or attempts to violate the prohibitions in Executive Order 13570.

In addition, wherever located, a United States person is prohibited by Executive Order 13722 from dealing in property in which a designated person or the Government of the DPRK has any interest.

Since 1998, the Federal Aviation Administration has prohibited civil flight operations by United States-registered aircraft, except where the operator of such aircraft is a foreign air carrier, through the Pyongyang Flight Information Region west of 132 degrees east longitude, which includes the DPRK's territorial airspace. The flight prohibition also applies to all United States air carriers or commercial operators and all persons exercising the privileges of an airman certificate issued by the Federal Aviation Administration, except such persons operating United States-registered aircraft for foreign air carriers. Exceptions exist for (a) operations authorized by an exemption issued by the Federal Aviation Administration; (b) operations authorized by another agency of the Government of the United States with Federal Aviation Administration approval; and (c) in-flight emergencies.

The Department of Homeland Security, United States Customs and Border Protection, can inspect all cargo on aircraft destined for or departing the United States (see, for example, 19 U.S.C. §§ 482, 1499), and seize and/or forfeit any article introduced or exported contrary to law or arms or munitions of war exported in violation of law, as well as any associated vessel or aircraft (see, for example, 19 U.S.C. § 1595a and 22 U.S.C. § 401).

With respect to United States-flagged vessels, pursuant to 14 U.S.C. § 89, the Department of Homeland Security/United States Coast Guard may board and inspect any United States-flagged vessel anywhere it is located, beyond the territorial sea of another country, to enforce United States laws. Within United States customs waters (up to 24 nautical miles from the coastline of the United States) or a declared customs-enforcement area (see 19 U.S.C. § 1701), the Department of Homeland Security/Coast Guard and the United States Customs and

Border Protection share authority to board vessels, examine manifests and search cargo (see, for example, 19 U.S.C. § 1581 and 14 U.S.C. § 89).

If a vessel or aircraft is itself of United States origin, regardless of its flag, or if the value of the United States-origin parts of the vessel or aircraft exceeds 10 per cent of the total value of the vessel/aircraft, the vessel or aircraft itself is subject to the Export Administration Regulations and a Bureau of Industry and Security licence would be required for the vessel to travel to the DPRK and for its re-export from the DPRK to a third country. These EAR export and re-export rules would apply even if the prohibited items the vessel or aircraft is transporting are not themselves subject to the EAR because they do not meet the *de minimis* threshold for controlled United States-origin content.

Paragraph 30. Decides that all Member States shall prevent the direct or indirect supply, sale or transfer to the DPRK, through their territories or by their nationals, or using their flag vessels or aircraft, and whether or not originating in their territories, of new helicopters and vessels, except as approved in advance by the Committee on a case-by-case basis

The Department of Commerce's regulations (EAR), prohibit the export from the United States to the DPRK (or re-export from a third country) of all items subject to the EAR except food or medicine designated as "EAR99," unless otherwise licensed. The EAR licence requirement covers all vessels or aircraft subject to the EAR, including United States-origin vessels and aircraft and foreign-origin vessels and aircraft in which the value of the United States-origin content exceeds 10 per cent of the item's total value, regardless of flag. The Bureau of Industry and Security would review licence applications for the export or re-export of new helicopters and vessels subject to the regulations under a general policy of denial. A separate export or re-export licence requirement could apply to the vessel or aircraft (regardless of flag) transporting any new helicopters and vessels. This licence requirement could apply to the export or re-export of the helicopters or vessels even if they are transported by a vessel/aircraft that is not subject to the EAR (foreign-origin and does not meet the *de minimis* United States-origin content threshold).

Section 3 (a) (i) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, prohibits the exportation or re-exportation, direct or indirect, from the United States, or by a United States person, wherever located, of any goods, services or technology to the DPRK, except as otherwise licensed or exempted. Under the Executive Order, the Office of Foreign Assets Control prohibits exports from abroad by United States persons of items not subject to the EAR.

Since 1998, the Federal Aviation Administration has prohibited civil flight operations by United States-registered aircraft, except where the operator of such aircraft is a foreign air carrier, through the Pyongyang Flight Information Region west of 132 degrees east longitude, which includes the DPRK's territorial airspace. The flight prohibition also applies to all United States air carriers or commercial operators and all persons exercising the privileges of an airman certificate issued by the Federal Aviation Administration, except such persons operating United States-registered aircraft for foreign air carriers. Exceptions exist for (a) operations authorized by an exemption issued by the Federal Aviation Administration;

(b) operations authorized by another agency of the Government of the United States with Federal Aviation Administration approval; and (c) in-flight emergencies.

Paragraph 31. Decides that Member States shall take the necessary measures to close existing representative offices, subsidiaries or banking accounts in the DPRK within 90 days, unless the Committee determines on a case-by-case basis that such offices, subsidiaries or accounts are required for the delivery of humanitarian assistance or the activities of diplomatic missions in the DPRK or the activities of the United Nations or its specialized agencies or related organizations or any other purpose consistent with the objectives of this resolution

Section 3 (a) (i) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, prohibits the exportation or re-exportation, direct or indirect, from the United States, or by a United States person, wherever located, of any goods, services or technology to the DPRK, except as otherwise licensed or exempted.

Section 1 of Executive Order 13570, administered by the Department of the Treasury in consultation with the Department of State, prohibits the importation into the United States, directly or indirectly, of any goods, services or technology from the DPRK. Section 2 (a) of Executive Order 13570 prohibits any transaction by a United States person or within the United States that evades or avoids, has the purpose of evading or avoiding, causes a violation of or attempts to violate the prohibitions in Executive Order 13570.

Paragraph 32. Decides that all Member States shall prohibit public and private financial support from within their territories or by persons or entities subject to their jurisdiction for trade with the DPRK (including the granting of export credits, guarantees or insurance to their nationals or entities involved in such trade), except as approved in advance by the Committee on a case-by-case basis

Section 3 (a) (i) of Executive Order 13722, administered by the Department of the Treasury in consultation with the Department of State, prohibits the exportation or re-exportation, direct or indirect, from the United States, or by a United States person, wherever located, of any goods, services or technology to the DPRK, except as otherwise licensed or exempted.

Section 3 (a) (ii) of Executive Order 13722 prohibits new investment in the DPRK by United States persons, wherever located.

In addition, the Department of Commerce prohibits United States persons' support of, or participation in, "trade" activities with the DPRK that could contribute to the DPRK's weapons of mass destruction programmes without a licence. Applications to engage in such activities will be denied if the activities would make a material contribution to the DPRK's weapons of mass destruction programmes (see section 744.6 of the EAR). Such prohibited support need not involve the export or re-export of an item subject to the EAR.

Paragraph 33. Decides that, if a Member State determines that an individual is working on behalf of or at the direction of a DPRK bank or financial institution, then Member States shall expel the individual from their territories for the purpose of repatriation to the individual's state of nationality, consistent with applicable national and international law, unless the presence of the individual is required for

fulfilment of a judicial process or exclusively for medical, safety or other humanitarian purposes, or the Committee has determined on a case-by-case basis that the expulsion of the individual would be contrary to the objectives of resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), or this resolution

The Department of Homeland Security can remove such an individual pursuant to a final order of removal, or if the individual poses a threat to national security or public safety (see 8 U.S.C. § 1227 (a) (4)).

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Security Council

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27 February 2017

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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 27 February 2017 from the Permanent Mission of Italy to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Italy to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and, in accordance with paragraph 36 of Security Council resolution 2321 (2016), has the honour to submit to the Committee the national report of Italy on the implementation of Security Council resolution 2321 (2016) (see annex).

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Annex to the note verbale dated 27 February 2017 from the Permanent Mission of Italy to the United Nations addressed to the Chair of the Committee

Report of Italy on the implementation of Security Council resolution 2321 (2016)

Resolution 2321 (2016) of 30 November 2016 substantially strengthened the sanctions regime against the Democratic People's Republic of Korea by introducing new specific provisions and by clarifying, expanding and strengthening the scope of the existing sanctions to further curtail the capability of that country to pursue prohibited programmes and activities.

In paragraph 36 of resolution 2321 (2016), the Security Council called upon all Member States "to report to the Security Council within 90 days of the adoption of this resolution, and thereafter upon request by the Committee, on concrete measures they have taken in order to implement effectively the provisions of this resolution, requests the Panel of Experts established pursuant to resolution 1874 (2009), in cooperation with other United Nations sanctions monitoring groups, to continue its efforts to assist Member States in preparing and submitting such reports in a timely manner".

In the light of its task as chair of the Security Council Committee established pursuant to resolution 1718 (2006), Italy is particularly committed to fulfilling its responsibilities under Council resolutions on the Democratic People's Republic of Korea to facilitate the achievement of a peaceful and comprehensive solution. In this regard, Italy promotes and supports the full implementation of sanctions adopted by the Council.

Italy firmly condemns the continued development by the Democratic People's Republic of Korea of nuclear and ballistic missile programmes. In 2016, the Ministry of Foreign Affairs of Italy released six public statements condemning the repeated nuclear and ballistic tests by the Democratic People's Republic of Korea. On 12 February 2017, the Ministry released another public statement expressing great concern over the news of the latest ballistic missile launched by that country.

Measures taken to implement sanctions under resolution 2321 (2016)

Italy and the other member States of the European Union have jointly implemented the restrictive measures against Democratic People's Republic of Korea imposed by the Security Council in its resolution 2321 (2016) by taking the following common measures:[1]

- Council of the European Union Decision (CFSP) 2016/2217 of 8 December 2016[2] amending Decision (CFSP) 2016/849, and European Commission Implementing Regulation (EU) 2016/2215 of 8 December 2016[3] amending

[1] All common measures are published in the *Official Journal of the European Union*, which is available from http://eur-lex.europa.eu/oj/direct-access.html.

[2] *Official Journal of the European Union L 334*, 9 December 2016.

[3] Ibid.

Council Regulation (EC) No. 329/2007, implementing the designation of additional persons and entities (travel ban and asset freeze) provided by resolution 2321 (2016)

- The relevant Council of the European Union Decision (CFSP) amending Decision 2016/849/CFSP, and Council Regulation (EU) amending Council Regulation (EC) No. 329/2007, giving effect to all the other restrictive measures contained in Security Council resolution 2321 (2016), adopted by the Council of the European Union on 27 February 2017, in addition to those transposed by the Council decision adopted on 8 December 2016. These legal acts shall enter into force on the day of their publication in the *Official Journal of the European Union*.

The above-mentioned Council Regulations are binding in their entirety and directly applicable in Italy as a European Union member State.

Arms embargo

Italy has the following national legislation in force prohibiting the sale, supply, transfer or export of arms and related materiel to third countries and the provision of brokering services and other services related to military activities which, together with Council decision (CFSP) 2016/849, provides the basis for enforcement of the arms embargo against the Democratic People's Republic of Korea and the ban on related brokering services: Law 185/1990, as modified by Legislative Decree 105/2012, concerning controls on import, export and transfer of arms and related materials.

In particular, article 1, paragraph 6 (c), of the above-mentioned Law forbids the supply of arms to countries on which a mandatory United Nations embargo is imposed (which is the case for the Democratic People's Republic of Korea). The provisions stemming from Law 185/1990 cover procurement activities, too.

With reference to the restrictions on arms, related materiel, technical assistance and services set out in resolution 2321 (2016) and in previous resolutions, the Armaments Export Licensing Unit of Italy has informed the Ministry of Foreign Affairs of Italy that to date no requests or import or export demands involving the Democratic People's Republic of Korea have been received, apart from a contractual licensing request by an Italian company dated 23 July 2001, which had a negative outcome.

Asset freeze and other financial measures

With reference to financial measures contained in resolution 2321 (2016), Italy — through its central bank and its financial intelligence unit — exercises enhanced vigilance in order to prevent the provision of financial services or the transfer of any financial assets that could contribute to prohibited programmes or activities of the Democratic People's Republic of Korea. In consideration of the Financial Action Task Force's "blacklist" of non-equivalent anti-money laundering/combating the financing of terrorism legislation, the Bank of Italy issues recommendations to the banking system, requesting the supervised entities to pay specific attention to relations with clients connected with high-risk jurisdictions, including the Democratic People's Republic of Korea. To date, no Democratic People's Republic of Korea banks have applied

for the authorization to open a branch or a subsidiary or a representative office in Italy, and vice versa.

The Financial Security Committee has informed the Ministry of Foreign Affairs that so far no assets and financial resources belonging to persons or entities listed in accordance with the aforementioned Security Council resolutions have been frozen in Italy.

Embargoed goods, items and technical assistance

With regard to restrictions provided under Security Council resolution 2321 (2016) on materials, equipment, technology or goods, the competent authorities of Italy continue to perform enhanced vigilance on bilateral import and export flows with the Democratic People's Republic of Korea, although the above-mentioned flows are very limited in terms of both volume and value.

Italy wishes to inform the Committee of an attempted violation of the restrictive measures imposed in relevant Security Council resolutions. Pursuant to relevant Council resolutions, on 22 November 2016 the competent authority of Italy prevented the transfer by an Italian national to the Democratic People's Republic of Korea of the following items, considered as luxury goods under the terms of United Nations and European Union legislation: "n. 7 swimming fins 'MARES' — V.D. 95062900" (value €359.20). The aforementioned items were seized and an administrative fine was imposed on the Italian national (representing an Italian entity) who had attempted to transfer them to Democratic People's Republic of Korea.

Travel restrictions

The travel restrictions set out in the above-mentioned resolution are automatically implemented by Italy by uploading the relevant list into the national Visa Information System. According to article 32 of the Visa Code (Regulation (EC) No. 810/2009), a visa is refused, among other reasons, if the applicant "is considered to be a threat to public policy, internal security or public health [...] in particular where an alert has been issued in Member States' national databases".

Concerning the 11 additional persons listed in resolution 2321 (2016), no visa requests have been submitted to the competent authority of Italy.

Diplomatic restrictions

Concerning the implementation of the restrictions on diplomatic missions of the Democratic People's Republic of Korea, the Ministry of Foreign Affairs of Italy would like to inform the Committee that the Italian financial intelligence unit is committed to performing enhanced vigilance measures on bank account movements related to diplomatic staff of the Democratic People's Republic of Korea who are accredited in Rome. On a precautionary basis, similar enhanced vigilance measures are also taken towards family members of the above-mentioned diplomatic staff.

In compliance with paragraph 14 of Security Council resolution 2321 (2016), in which the Council called upon "all Member States to reduce the number of staff at Democratic People's Republic of Korea diplomatic missions and consular posts",

Italy would like to provide the following information: regarding the diplomatic accreditation of a new third secretary of the diplomatic mission of the Democratic People's Republic of Korea in Rome, in replacement of the counsellor for political affairs and the current chargé d'affaires, the process has been on hold since December 2016.

Specialized teaching or training

In order to promote compliance with the enhanced ban on specialized teaching or training in sensitive matters introduced by resolution 2321 (2016), the Ministry of Foreign Affairs of Italy notified the competent ministry of Italy for universities and the main international training institutes and research centres based in Trieste, Italy, namely, the World Academy of Sciences, the International Centre for Theoretical Physics and the International School for Advanced Studies, of the new restrictive measures in force.

In this regard, Italy would like to provide the following information:

- The World Academy of Sciences has never organized specialized teaching or training on sensitive matters with nationals of the Democratic People's Republic of Korea. No cases of non-compliance have been reported
- The International School for Advanced Studies has provided information that, according to Security Council resolution 2270 (2016), four students from the Democratic People's Republic of Korea enrolled in the joint International School for Advanced Studies-International Centre for Theoretical Physics PhD programme have been moved to non-sensitive fields (mathematics, neurosciences and genomics). The International School for Advanced Studies indicated that no other cooperation with nationals or organizations of the Democratic People's Republic of Korea is currently in progress. No cases of non-compliance have been reported
- The International Centre for Theoretical Physics responded to all previous Security Council resolutions by agreeing with the International School for Advanced Studies to move the above-mentioned four students from the Democratic People's Republic of Korea to non-sensitive fields. A fifth national of the Democratic People's Republic of Korea currently at the Centre is an independent researcher doing research in the field of string theory and mathematical physics and is not receiving teaching or training. Resolution 2321 (2016) expanded the list of research areas for which specialized teaching and training of nationals of the Democratic People's Republic of Korea is banned. The list also includes advanced materials science, advanced chemical engineering, advanced mechanical engineering, advanced electrical engineering and advanced industrial engineering. In this regard, the Centre has indicated that none of the nationals of the Democratic People's Republic of Korea mentioned above is studying or doing research in those areas. No cases of non-compliance have been reported.

Penalties

The above-mentioned Council Regulations are binding in their entirety and directly applicable in all member States of the European Union, including Italy. Regulation No. 329/2007 requires member States to determine the penalties applicable to infringement of their provisions. The penalties determined by Italy are set out in the following legislation:

- For the infringement of provisions concerning the sale, supply, transfer or export of arms and related materiel, several administrative and criminal penalties are imposed by Law 185/1990, as modified by LD 105/2012 (article 23 and following)
- According to LD 109/2007, article 13, competent national authorities can impose administrative fines on financial institutions or designated non-financial businesses and professions for any direct breach of asset freeze obligations. Penalties for such violations are commensurate with the value of the prohibited transaction and can vary from a minimum of half to a maximum of twice the overall value. If a financial institution or designated non-financial businesses or profession fails to notify the financial intelligence unit of information concerning the freezing of assets, administrative fines range from €500 to €25,000
- LD 96/2003, article 16, establishes both administrative and criminal penalties for the infringement of provisions on the import and export of dual-use goods.

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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 23 February 2017 from the Permanent Mission of Saudi Arabia to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Saudi Arabia to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith the report of measures taken by Saudi Arabia towards the implementation of Security Council resolutions 1718 (2006), 1874 (2009), 2094 (2013) and 2321 (2016) (see annex).

17-04391 (E) 210317 230317

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Annex to the note verbale dated 23 February 2017 from the Permanent Mission of Saudi Arabia to the United Nations addressed to the Chair of the Committee

[Original: Arabic]

Report of the Kingdom of Saudi Arabia on the implementation of Security Council resolution 2321 (2016)

Introduction

Saudi Arabia implements all Security Council resolutions adopted under Chapter VII of the Charter of the United Nations. Such resolutions are implemented by a standing national committee that is composed of the relevant competent authorities, in accordance with the procedures that are followed for all such resolutions.

Procedures followed by the competent authorities

With a view to ensuring its rapid implementation, the Ministry of Foreign Affairs provided all members of the national committee with a copy of Security Council resolution 2321 (2016). The committee called a meeting on 6 March 2017 to follow up the implementation of the resolution.

The competent Saudi Arabian authority has stated that, with regard to civil aviation, there are no transactions or direct shipments between North Korea and Saudi Arabia, nor are any civil aviation services provided or aviation crews utilized within or outside North Korea.

The competent Saudi Arabian authority has instructed all land, sea and air border points to scrutinize all shipments from and to North Korea, as well as shipments passing through Saudi Arabian territory, in order to ensure that they do not contain copper, silver, nickel, zinc and dual-use equipment or any other items, equipment or goods that are prohibited by the above-mentioned Security Council resolution. It has also included in the list of suspects the names of those nationals of the Republic of North Korea who appear in the sanctions lists, while the entities have been added to the "do not transaci business with" blacklist of the customs computer system.

The competent authority has circulated the Security Council resolution to all ports for implementation with regard to the rental, leasing and insurance of vessels. The vessel *Iman* (International Maritime Organization No. 7713975), which is owned and operated by the Saudi Arabian company Sulayman al-Jabri Trading, was reregistered at the Pohnpei port and now flies the flag of the Federated States of Micronesia.

The competent authority also wishes to inform the committee tasked with implementing the resolution that the Government of Saudi Arabia informed the relevant Government bodies of the resolution's provisions, so that they might comply with them, and directed relevant Government sectors to take the necessary steps to fulfil the requirements set out in the resolution, as outlined in its paragraphs. With regard to the private sector, the Ministry of Commerce and Investment has instructed all sectors under its authority and the Saudi Arabian Council of Chambers of Commerce to refrain from doing business with the public and private sectors in North Korea, so that they might take the necessary action.

The Saudi Arabian Monetary Authority emphasized the substance of the above-mentioned Security Council resolution to banks and licenced exchange

bureaus. The banks and exchange bureaus indicated that they have no relations and do not conduct business with North Korea or its nationals. They also indicated that they have added North Korea to the list of high-risk States. The Authority has also stressed to all banks and licensed exchanged bureaus that they must take heed of all that is issued by the relevant authorities and take all necessary preventive measures.

Among other measures, the competent Saudi Arabian authorities have included the names of 12 North Korean nationals in the list of persons who are prohibited from entering Saudi Arabia and subject to a travel ban pursuant to Security Council resolutions 1718 (2006), 1874 (2009) and 2094 (2013).

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Security Council

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27 February 2017

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 27 February 2017 from the Permanent Mission of Ukraine to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Ukraine to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and, in accordance with paragraph 36 of Security Council resolution 2321 (2016), has the honour to submit herewith the report of Ukraine on the implementation of resolution 2321 (2016) (see annex).

17-03515 (E) 080317

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Annex to the note verbale dated 27 February 2017 from the Permanent Mission of Ukraine to the United Nations addressed to the Chair of the Committee

Report of Ukraine on the implementation of Security Council resolution 2321 (2016)

Ukraine consistently pays particular attention to ensuring that Security Council resolutions are implemented and adheres strictly to their provisions.

On 16 May 2007, the Cabinet of Ministers of Ukraine adopted resolution No. 746, entitled "On implementation of the resolution of the United Nations Security Council on the Democratic People's Republic of Korea".

On 14 August 2014, Law No. 1644-VII, entitled "On sanctions", was adopted, which envisages, in article 3, subparagraph 1 (2), that resolutions of the Security Council are a basis for the application of sanctions by Ukraine.

Following the adoption by the Security Council of resolution 2321 (2016), the Ministry of Foreign Affairs of Ukraine promptly informed all State executive bodies concerned, as well as the National Bank of Ukraine, of the action that must be taken pursuant to that resolution.

Furthermore, the Ministry of Foreign Affairs of Ukraine prepared two draft orders of the Cabinet of Ministers of Ukraine on the proposal for the application of sectoral, special economic and other restrictive measures, in accordance with Security Council resolutions 2270 (2016) and 2321 (2016) concerning the Democratic People's Republic of Korea, and on the proposal for the application of targeted, special economic and other restrictive measures, in accordance with Security Council resolutions 2270 (2016) and 2321 (2016) concerning the Democratic People's Republic of Korea. The documents include a set of steps aimed at the implementation of the new, stricter sanctions regime concerning the Democratic People's Republic of Korea adopted by the Security Council in 2016. Both documents are currently undergoing the requisite approval procedures, in line with the national legislation of Ukraine.

Moreover, prior to the final adoption of the orders, all executive bodies in Ukraine continue to implement, within their areas of competence, the sanctions regime concerning the Democratic People's Republic of Korea imposed by the relevant Security Council resolutions.

United Nations S/AC.49/2017/15

Security Council

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28 February 2017

Original: English

Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 28 February 2017 from the Permanent Mission of the United Kingdom of Great Britain and Northern Ireland to the United Nations addressed to the Chair of the Committee

The Permanent Mission of the United Kingdom to the United Nations wishes to submit for the attention of the Security Council Committee established pursuant to resolution 1718 (2006) and the Panel of Experts on the Democratic People's Republic of Korea the attached 90-day report on the implementation of Security Council resolution 2321 (2016) (see annex).

This submission is in accordance with paragraph 36 of Security Council resolution 2321 (2016).

The United Kingdom takes its responsibilities under Security Council resolutions on the Democratic People's Republic of Korea most seriously and we monitor closely any activity to ensure complete compliance with United Nations sanctions.

17-03521 (E) 130317

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Annex to the note verbale dated 28 February 2017 from the Permanent Mission of the United Kingdom of Great Britain and Northern Ireland to the United Nations addressed to the Chair of the Committee

Report of the United Kingdom of Great Britain and Northern Ireland on the implementation of Security Council resolution 2321 (2016)

Introduction

1. The Permanent Mission of the United Kingdom to the United Nations has the honour to submit its report pursuant to paragraph 36 of resolution 2321 (2016) on the steps taken by the Government of the United Kingdom to implement the measures of the resolution.

Legal background

2. Security Council resolutions are implemented into the domestic law of member States of the European Union through decisions and regulations of the Council of the European Union, which have direct legal effect in each member State. The Council of the European Union has also implemented autonomous restrictive measures, including designations of individuals who have not been listed at the United Nations level and wider economic measures. These measures have effect only within the territories of member States of the European Union.

3. The Security Council, in its resolution 2321 (2016), imposed new measures and widened the scope of a number of existing measures. On 27 February 2017, the Council of the European Union adopted its decision 2017/345, which amended decision (CFSP) 2016/849 concerning restrictive measures against the Democratic People's Republic of Korea, giving effect to Security Council resolution 2321 (2016).

4. For the elements of the above decisions which fall within the competence of the European Union under the Treaty on the Functioning of the European Union, the measures were implemented by the Council of the European Union in its regulation (EC) No. 329/2007 of 27 March 2007. This regulation has been amended, most recently by regulation (EU) 2016/2215 of 8 December 2016 and regulation (EU) 2017/330 of 27 February 2017. European Union restrictive measures implement Security Council resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016) and 2321 (2016). The European Union has also implemented additional European Union autonomous measures.

5. The United Kingdom drafts its own legislation to implement sanctions measures in respect of domestic criminal offences in the United Kingdom and for its overseas territories. It also drafts its own domestic legislation to control arms exports.

6. Criminal offences that relate to breaching of the financial sanctions are implemented by legislation in the form of the following financial sanctions regulations, which are drafted by Her Majesty's Treasury: the North Korea (United Nations Sanctions) Order 2009 No. 1749 and the Democratic People's Republic of Korea (European Union Financial Sanctions) Regulations 2013 No. 1877.

7. The Department for International Trade is responsible for implementing the existing comprehensive national and European Union controls on the export of and trade in arms and other goods controlled for strategic reasons. These controls are

contained in various national and European Union legal instruments, notably the Export Control Order 2008 No. 3231 (as amended) and Council regulation (EC) No. 428/2009.

8. The United Kingdom has responsibility for the implementation of Security Council resolutions in those overseas territories which fall outside the jurisdiction of the European Union. The Foreign and Commonwealth Office is in the process of implementing Security Council resolution 2321 (2016). It has previously implemented other resolutions in the form of the following overseas territories legislation: the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) Order 2012 No. 3066, the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) (Amendment) Order 2013 No. 1718, the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) (Amendment) (No. 2) Order 2013 No. 2599, the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) (Amendment) Order 2016 No. 630 and the Democratic People's Republic of Korea (Sanctions) (Overseas Territories) (Amendment) (No. 2) Order 2016 No. 769. This legislation applies to all overseas territories with the exception of Bermuda, which drafts its own legislation, and Gibraltar, where European Union regulations apply.

9. The following report details the implementation of Security Council resolution 2321 (2016) in domestic United Kingdom and European Union legislation. These measures are also being implemented in the overseas territories.

Embargoed goods, items and technical assistance

10. European Union Council regulation (EC) No. 428/2009 of 5 May 2009 gives member States powers to prevent the export or transit of any items that might be used in connection with a weapons of mass destruction programme to any destination, or for a military end use to a destination subject to an arms embargo imposed by a binding Security Council resolution or decision or Common Position of the Council of the European Union, or a decision of the Organization for Security and Cooperation in Europe. In addition, it gives member States powers to prevent the brokering of any items that might be used in connection with a weapons of mass destruction programme to any destination, or of any dual-use item listed in annex I (to the regulation) for a military end use to a destination subject to an arms embargo as described above. This regulation is binding in its entirety and directly applicable in all member States. Supplementary measures and provisions for enforcement of these controls are set out in the Export Control Order 2008.

11. The Export Control Order 2008 prohibits the export of arms and other military equipment and technology from the United Kingdom to any destination unless the export has been authorized in writing by a licence granted by the Secretary of State for International Trade. In addition, the Democratic People's Republic of Korea is an "embargoed destination" for the purposes of the United Kingdom controls on the brokering of military goods. As a result, it is prohibited for any United Kingdom person to supply or deliver, agree to supply or deliver or do any act calculated to promote the supply or delivery of military goods from a third country to the Democratic People's Republic of Korea, regardless of where in the world the act takes place, unless authorized in writing by a licence granted by the Secretary of State.

12. All applications for licences to export or broker controlled goods, or to provide related services, are assessed on a case-by-case basis against the Consolidated European Union and National Arms Export Licensing Criteria dated 25 March 2014. A licence will not be issued if to do so would be inconsistent with our obligations under the Criteria. In particular, criterion 1 deals with the

international obligations and commitments of the United Kingdom including in the field of arms control and non-proliferation and criterion 7 deals with the risk of diversion including to weapons of mass destruction programmes of concern.

13. Prohibitions on: (a) the sale, supply, transfer or export of goods, materials, equipment and technology which could contribute to the nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes of the Democratic People's Republic of Korea; (b) the purchase, import or transport of such items from the Democratic People's Republic of Korea; (c) the provision of technical assistance, financing and financial assistance related to arms, etc., and to goods etc. which could contribute to weapons of mass destruction-related programmes of the Democratic People's Republic of Korea; and (d) the procurement of such services from the Democratic People's Republic of Korea, are set out in regulation (EC) No. 329/2007, as amended, of the Council of the European Union. These prohibitions apply directly to all activities carried out in the European Union and to the nationals of member States anywhere in the world.

14. Prohibitions applying to the sale, supply, transfer or export of luxury goods to the Democratic People's Republic of Korea are set out in article 4 of regulation (EC) No. 329/2007 of the Council of the European Union. The luxury goods to which the prohibitions apply are listed in annex III to that regulation. A breach of these prohibitions is a criminal offence under the Customs and Excise Management Act 1979 or the Export Control (North Korea Sanctions and Iran, Ivory Coast and Syria Amendment) Order 2017 No. 83. In either case, the offences carry a maximum penalty of 10 years' imprisonment and an unlimited fine.

15. Export and import of controlled goods without an appropriate licence is a criminal offence under the Customs and Excise Management Act 1979; the brokering of military goods without an appropriate licence is a criminal offence under the Export Control Order 2008. Both offences carry a maximum penalty of 10 years' imprisonment and an unlimited fine. A breach of any of the other prohibitions referred to above is a criminal offence under the Export Control (North Korea Sanctions and Iran, Ivory Coast and Syria Amendment) Order 2017 No. 83.

16. The Department for International Trade makes available to exporters, traders and intermediaries comprehensive information on sanctions and export controls through its website pages, notices to exporters and programme of seminars and training courses, and works closely with trade promotion bodies and relevant trade associations. The Department also offers a number of advisory services for businesses and individuals who wish to determine whether their activities are subject to any prohibitions or restrictions.

17. Her Majesty's Revenue and Customs is the department responsible for enforcing the controls and investigating potential or actual breaches. The Crown Prosecution Service is responsible for prosecuting breaches of the controls.

Customs

18. With regard to paragraphs 13, 20 and 21 of Security Council resolution 2321 (2016), Her Majesty's Revenue and Customs continues to enforce the relevant prohibitions on the export of arms, related materials and other goods prohibited under European Union Council regulation (EC) No. 329/2007 (as amended) to the Democratic People's Republic of Korea, as specified in Security Council resolution 2270 (2016), as well as enforcing the strategic export licensing system of the United Kingdom. Her Majesty's Revenue and Customs has measures in place to identify and interdict cargo transiting through the United Kingdom to/from the Democratic People's Republic of Korea.

19. The export and import of controlled goods without an appropriate licence is a criminal offence under the Customs and Excise Management Act 1979, and the brokering of military goods without an appropriate licence is a criminal offence under the Export Control Order 2008. These offences carry a maximum penalty of 10 years' imprisonment and an unlimited fine. A breach of other prohibitions referred to in this report is a criminal offence under the Export Control (North Korea Sanctions and Iran, Ivory Coast Sanctions and Syria Amendment) Order 2017. In the UK, Her Majesty's Revenue and Customs is the department responsible for enforcing these controls and investigating potential or actual breaches. The Crown Prosecution Service is responsible for prosecuting breaches of the controls.

20. Her Majesty's Revenue and Customs is alert to the risk of prohibited goods being exported to known diversionary destinations and maintains controls that can intercept goods that are likely to be illegally diverted to the Democratic People's Republic of Korea. Her Majesty's Revenue and Customs enforces the prohibition on trafficking and brokering controls in relation to military goods both originating in and destined for the Democratic People's Republic of Korea where the trade activity is undertaken within the United Kingdom or by a United Kingdom national anywhere in the world.

Financial and asset freezes

21. With regard to paragraphs 3, 16 and 31-33 of Security Council resolution 2321 (2016), Her Majesty's Treasury issues notices to the United Kingdom financial sector whenever entities are listed under the Democratic People's Republic of Korea regime, stating that all of those entities' assets must be frozen and reported to the Treasury. Her Majesty's Treasury has also introduced criminal penalties for breaching the asset freeze, as reflected in the Democratic People's Republic of Korea (European Union Financial Sanctions) Regulations 2013 No. 1877, as amended.

22. Criminal penalties are in place to deter credit or financial institutions based in the United Kingdom from maintaining accounts, branches or subsidiaries in the Democratic People's Republic of Korea where Her Majesty's Treasury has made a direction that there are reasonable grounds to believe that they could contribute to the nuclear, weapons of mass destruction or ballistic missile programmes of the Democratic People's Republic of Korea.

23. The UK has recently introduced new powers onto the statute book via the Policing and Crime Act 2017 which will strengthen sanctions enforcement in the UK, including through new civil monetary penalties and an increase to maximum sentences for those that breach sanctions. This will include breaches of Security Council resolution 2321 (2016). The new powers also include "without delay" provisions which will ensure that new United Nations listings, including any annexed to future DPRK-related resolutions, will come into force in the UK within 48 hours as per the Financial Action Task Force (FATF) guidelines. These new powers will come into force in April 2017.

24. Following each plenary meeting of the FATF at which the Democratic People's Republic of Korea remains on the Task Force's list of jurisdictions with strategic deficiencies in their anti-money-laundering and counter-terrorist financing regimes, Her Majesty's Treasury publishes a notice advising regulated entities to consider the Democratic People's Republic of Korea as high-risk for the purposes of the Money Laundering Regulations 2007 No. 2157. It advises firms to apply enhanced due diligence measures in accordance with the risks presented. This includes applying enhanced customer due diligence and enhanced ongoing monitoring on a risk-sensitive basis. The most recent notice was published in October 2016. Suspicions

of money-laundering, terrorist financing or proliferation financing must be reported to the United Kingdom Financial Intelligence Unit at the National Crime Agency.

Travel restrictions

25. With regard to paragraphs 15, 25 and 33 of Security Council resolution 2321 (2016), the United Kingdom implements the travel restriction elements of United Nations Security Council resolutions as follows:

- The provisions in section 8B of the Immigration Act 1971 (as amended) enable non-European Economic Area (non-EEA) nationals named in the relevant annex to the United Nations Security Council resolution to be refused entry to the United Kingdom. Section 8B also provides for the cancellation of any leave already held by the person and for the cessation of any exemption an individual may have had from immigration control.
- Where the resolution calls for a non-EEA national described but not named in the resolution to be expelled from or refused entry to a member State, the person may be deported or refused entry on conducive grounds. Deportation would be under section 3 (5) (a) of the Immigration Act 1971; refusal of entry would be in accordance with paragraph 320 (19) of the United Kingdom's Immigration Rules.
- In the event of an EEA national coming within the scope of the United Nations resolution, refusal of admission to or deportation from the United Kingdom would be on grounds of public policy or public security in accordance with the Immigration (European Economic Area) Regulations 2016.

26. All individuals subject to a travel ban who are listed by the United Nations or the European Union are included on United Kingdom watch lists and will normally be refused entry to or transit through the United Kingdom. Additionally the Authority to Carry Scheme 2015 provides that a carrier may be refused authority to carry to the United Kingdom individuals who are listed by the United Nations or European Union as being subject to travel restrictions (to the extent the individual is seeking to travel in breach of those restrictions).

Specialized teaching or training

27. With regard to paragraphs 10 and 11 of Security Council resolution 2321 (2016), if a person is specifically applying to enter the United Kingdom for the purpose of studying an area that is of proliferation concern, the visa application should fall for refusal under part 6A of the United Kingdom's Immigration Rules if that individual does not hold a valid Academic Technology Approval Scheme clearance certificate where required to do so. Her Majesty's Government has the authority to instruct a university to exclude an international student from an Academic Technology Approval Scheme applicable course if he or she has failed to gain clearance under the Scheme first.

28. The Academic Technology Approval Scheme is an initiative of the British Government led by the Foreign and Commonwealth Office, which prevents the intangible transfer of technology and potential postgraduate international students from gaining access to courses and modules provided by United Kingdom higher education institutions which may provide them with skills or expertise in the proliferation and delivery of weapons of mass destruction, including ballistic missiles.

29. An Academic Technology Approval Scheme clearance certificate will be required where a non-European Economic Area or Swiss national is applying for leave to undertake one of the following:

(a) Postgraduate studies leading to a doctorate or master's degree by research in one of the subjects listed in paragraph 1 of appendix 6 of the Immigration Rules;

(b) Postgraduate studies leading to a taught master's degree or other postgraduate qualification in one of the subjects listed in paragraph 2 of appendix 6 of the Immigration Rules;

(c) A period of study or research in excess of six months in one of the subjects listed in paragraphs 1 or 2 of appendix 6 of the Immigration Rules at an institution of higher education where this forms part of an overseas postgraduate qualification.

30. Those in the United Kingdom with leave as a student must apply for a new Academic Technology Approval Scheme certificate if they change their course to one which needs such a certificate, or if the content of their current course changes, or if they apply to move to another institution or need to extend their leave on their current course.

31. If a migrant applies for leave to enter or remain in the United Kingdom in a non-study category, the leave granted may be subject to a restriction prohibiting any study in the above areas of concern unless he or she first obtains an Academic Technology Approval Scheme clearance certificate.

Transportation

32. With regard to the measures concerning maritime restrictions referred to in paragraphs 8, 9, 12, 22, 23 and 24 of Security Council resolution 2321 (2016), the United Kingdom assesses that these measures are likely to have very little, if any, impact on United Kingdom vessels (including the leasing and chartering of such vessels), maritime services or workers. No supplementary controls or provisions are considered necessary for enforcement, which will be undertaken by the Maritime and Coastguard Agency.

33. With regard to paragraph 8 of Security Council resolution 2321 (2016), there are no scheduled air services between the United Kingdom and the Democratic People's Republic of Korea. The United Kingdom is unaware of any instances where aircraft believed to be transporting embargoed goods have sought permission to take off from, land in or overfly the United Kingdom.

34. Any non-European Union aircraft operating commercially to or from the United Kingdom requires explicit permission to do so from the Secretary of State for Transport, who can revoke, suspend or vary permissions as necessary. Similarly, if a European Union registered aircraft was operating to or from the United Kingdom, and subsequently travelling to a point outside the European Union, it would also require such permission. This requirement for such permission from the Secretary of State for Transport would act as a means to ensure that our obligation to implement Security Council resolution 2321 (2016) is successfully honoured.

Diplomatic issues

35. With regard to measures within Security Council resolution 2321 (2016) related to diplomatic issues, as a permanent member of the Security Council, the United Kingdom has a direct interest in promoting international security and the security of the Korean Peninsula. The United Kingdom therefore wants the Democratic People's Republic of Korea to adhere to its international obligations as a United Nations Member State, engage with the international community and take constructive steps towards denuclearization.

36. The United Kingdom engages with officials of the Democratic People's Republic of Korea, including diplomats, to ensure that our views on such issues, and those of our international partners, are clearly understood. The United Kingdom is taking every opportunity to urge the Government of the Democratic People's Republic of Korea, including diplomatic personnel, to refrain from further provocative action and to re-engage with the international community, particularly regarding its nuclear, ballistic missile and other weapons of mass destruction programmes.

37. The United Kingdom complies fully with its obligations under the Vienna Convention on Diplomatic Relations. In return, the United Kingdom expects all persons enjoying diplomatic privileges and immunities to abide by article 41 of the Convention, which states that all persons enjoying privileges and immunities have a duty to respect the laws and regulations of the receiving State and all missions in the United Kingdom have access to our guide to protocol matters. The United Kingdom takes firm action against any abuse of privileges or immunities by diplomatic missions.

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1 March 2017

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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 28 February 2017 from the Permanent Mission of Uganda to the United Nations addressed to the Chair of the Committee

The Permanent Mission of the Republic of Uganda to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith a copy of the implementation report of Uganda on Security Council resolution 2321 (2016) on the Democratic People's Republic of Korea (see annex).

17-03526 (E) 060317

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Annex to the note verbale dated 28 February 2017 from the Permanent Mission of Uganda to the United Nations addressed to the Chair of the Committee

Implementation report of Uganda on Security Council resolution 2321 (2016) on the Democratic People's Republic of Korea

In accordance with paragraph 36 of Security Council resolution 2321 (2016), which calls upon all States to report to the Security Council within 90 days of the adoption of the resolution, the Government of the Republic of Uganda has the honour to inform the Committee that it has so far taken the following measures to implement the provisions of the resolution:

1. The Government of the Republic of Uganda has circulated resolution 2321 (2016) to all the concerned ministries, departments and agencies and has highlighted the provisions of the resolution and the measures required to implement them.

2. The Government is further taking appropriate steps through a national consultative process to follow up on implementation of the said measures, and a detailed update will be provided to the Security Council in due course.

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Security Council

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1 March 2017
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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 28 February 2017 from the Permanent Mission of France to the United Nations addressed to the Chair of the Committee

The Permanent Mission of France to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit herewith the report of France regarding implementation of resolution 2321 (2016) in accordance with paragraph 36 thereof (see annex).

17-03582 (E) 080317 080317

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Annex to the note verbale dated 28 February 2017 from the Permanent Mission of France to the United Nations addressed to the Chair of the Committee

Report of France to the Security Council on measures taken to implement resolution 2321 (2016)

I. Introduction

Resolution 2321 (2016) substantially reinforces the sanctions regime, already strengthened the same year by resolution 2270 (2016), against the Democratic People's Republic of Korea. It clarifies and significantly strengthens the regime established by previous resolutions, including by restricting exports of coal from the Democratic People's Republic of Korea and by broadening the scope of existing measures to sectors beyond strict non-proliferation (obligations to inspect cargo, new banking measures, a ban on the transfer of new vessels and aircraft to the Democratic People's Republic of Korea, and a ban on exports of non-ferrous metals and statues). The resolution includes 11 new individuals and 10 new entities associated with illicit programmes on the sanctions list.

In paragraph 36 of resolution 2321 (2016), the Security Council:

> *Calls upon* all Member States to report to the Security Council within 90 days of the adoption of this resolution, and thereafter upon request by the Committee, on concrete measures they have taken in order to implement effectively the provisions of this resolution, *requests* the Panel of Experts established pursuant to resolution 1874 (2009), in cooperation with other United Nations sanctions monitoring groups, to continue its efforts to assist Member States in preparing and submitting such reports in a timely manner.

In accordance with these provisions, France wishes to bring to the attention of the Security Council the measures taken to implement the resolution.

(a) The European Union introduced restrictive measures against the Democratic People's Republic of Korea on 22 December 2006, following that country's first nuclear test, and all Security Council resolutions are transposed into European Union law through the regulations and directives of the Council of the European Union. Additional measures have also been taken independently by the European Union. They target nuclear weapons programmes, nuclear programmes and other weapons of mass destruction and ballistic missile-related programmes of the Democratic People's Republic of Korea. The measures include prohibitions on the export and import of weapons, goods, services and technologies that could contribute to those programmes.

By Decision (CFSP) 2016/849 of 27 May 2016, the Council of the European Union took steps to implement Security Council resolution 2270 (2016), in particular:

- Strengthening trade embargoes and prohibiting the sale of petroleum products and luxury goods to the Democratic People's Republic of Korea, including the procurement of coal, iron, iron ore, gold, titanium ore, vanadium ore and rare

earth minerals from the Democratic People's Republic of Korea and any public financial support for trade with the Democratic People's Republic of Korea;

- Prohibiting the supply, sale or transfer to the Democratic People's Republic of Korea of further items, materials or equipment related to dual-use goods and technologies;

- Preventing any financial transactions with the Democratic People's Republic of Korea, except in certain predefined cases subject to prior authorization;

- Prohibiting all investments by the Democratic People's Republic of Korea in the European Union and prohibiting nationals and entities of the European Union from investing in the mining, refining and chemical sectors as well as in any entities engaged in the illegal programmes of the Democratic People's Republic of Korea;

- Denying any aircraft operated by a carrier of the Democratic People's Republic of Korea or originating from that country permission to land in, take off from or overfly any European Union territory, prohibiting the entry into European Union ports of any vessel that is owned, operated or crewed by the Democratic People's Republic of Korea, establishing inspections for all cargo to and from the Democratic People's Republic of Korea, or brokered or facilitated by the Democratic People's Republic of Korea or its nationals or persons or entities acting on their behalf, and the seizure and destruction of prohibited items.

On 27 February 2017, the Council adopted Regulation (EU) 2017/330 and Decision (CFSP) 2017/345 transposing the measures introduced by resolution 2321 (2016) against the Democratic People's Republic of Korea, including:

- A ban on the export of new helicopters and vessels to the Democratic People's Republic of Korea;

- A ban on imports of copper, nickel, silver and zinc and also on statues from the Democratic People's Republic of Korea;

- Restrictions on transactions in coal, iron and iron ore from the Democratic People's Republic of Korea;

- Tightening the restrictions in force in the transport and financial sectors, such as prohibiting a diplomatic mission of the Democratic People's Republic of Korea or a diplomat of that country from holding more than one bank account in the European Union and deregistering any vessel that is owned, controlled or operated by the Democratic People's Republic of Korea;

- Restrictions on the use by the Democratic People's Republic of Korea of real property in the European Union.

The additional 11 individuals and 10 entities designated pursuant to Security Council resolution 2321 (2016) have been included in the list of individuals and entities subject to an assets freeze and to travel restrictions by Decision (CFSP) 2016/2217 of the Council of the European Union, adopted on 8 December 2016.

(b) At the national level, France has strengthened its domestic law by means of the Act of 14 March 2011 on combating the proliferation of weapons of mass

destruction and their delivery systems. In particular, this Act establishes the financing of proliferation as a separate offence.

The present report describes the measures taken by France pursuant to resolution 2321 (2016), as a complement to European legislation.

II. Embargo and asset freeze

A. Embargo on arms and related materiel

The export from France of war materiel is strictly controlled, in particular by article L2335-2 of the Defence Code, which:

Prohibits the export, without prior authorization, of war materiel and related items to non-members of the European Union and the territories outside the customs territory of the European Union.

The administrative authority establishes the list of war materiel and related items subject to prior authorization and exceptions to this authorization.

The scope of this prohibition is defined by the Decree of 27 June 2012, as amended, which repeats the items in the Common Military List of the European Union and adds space-related items and technologies. The law provides for criminal penalties in cases of failure to comply with the legislative and regulatory provisions concerning the export of war materiel and related items (Defence Code, art. L2339-11).

Export licences, which constitute an exception to that prohibition, may be issued only on completion of an interministerial review procedure. However, in the light of Security Council resolution 1718 (2006), Council of the European Union Decision 2016/849 and amended Council Regulation (EC) No. 329/2007, the interministerial commission to review exports of war materiel would reject any application for a licence to export war materiel to the Democratic People's Republic of Korea. Nonetheless, no French company has sought a licence to export such items to that country for many years.

B. Embargo on nuclear-, ballistic missile- or other weapons of mass destruction-related items or technology

Under the interministerial procedure for reviewing applications for licences to export dual-use items, all applications for licences to export items listed in Council Regulation (EC) No. 428/2009 of 5 May 2009 (last amended by delegated Council Regulation (EU) No. 2016/1969 of 12 September 2016) are denied.

C. Embargo on luxury goods

All French business operations have access to RITA, the national comprehensive listing of tariffs, which reflects the provisions of amended Council Regulation (EC) No. 329/2007 (list of luxury goods in annex III) and the tariff database of the European Community.

The French customs services systematically certify that exports to the Democratic People's Republic of Korea do not include items listed in annex III of

amended Council Regulation (EC) No. 329/2007. If the merchandise being exported is confirmed as appearing on the list in annex III, its export is prohibited.

D. Freezing of funds and economic resources

Banks and financial institutions in France are informed of European Union measures regarding the designation of individuals and entities via, inter alia, the Official Journal of the European Union, the consolidated list of financial sanctions of the European Union and the website of the Department of the Treasury, which has a dedicated page on the sanctions regime against the Democratic People's Republic of Korea and a single list of freezing measures applicable in France. They are required to implement these measures without delay.

Article L562-2 of the Monetary and Financial Code allows the Minister of Economic Affairs to freeze, for a period of six months renewable, all or part of the funds, financial instruments and economic resources held by individuals and entities designated by the Security Council or by the European Union. The freeze was implemented by a decree of the Minister of the Economy and Finance of 1 December 2016 against individuals and entities designated pursuant to resolution 2321 (2016), pending the adoption of European Union legislation.

E. Denial of entry into the territory

Since the announcement of the nuclear test carried out on 9 October 2006, France has severely restricted access to its territory by nationals of the Democratic People's Republic of Korea. Under European Union legislation, nationals of the Democratic People's Republic of Korea are required to have a visa in order to enter the Schengen Area and the issuance of visas to persons designated by the Council of the European Union is prohibited. Visa applications from non-listed persons with high-level State or Party responsibilities are examined by the French authorities on a case-by-case basis and, barring some exceptions, are denied.

F. Inspection of cargo shipped to or from the Democratic People's Republic of Korea

At the national level, special control measures applicable to trade from and to the Democratic People's Republic of Korea have been implemented by the French customs authorities. These measures apply to exports to or imports from the Democratic People's Republic of Korea of weapons and goods which could contribute to nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes. In addition, the fraud monitoring system is alerted to any shipments of prohibited items that may be transported by sea to or from the Democratic People's Republic of Korea.

III. Financial sanctions

A. Prevent all new commitments for grants, financial assistance or concessional loans to the Democratic People's Republic of Korea

France provides no financial assistance or concessional loans, either individually or through its participation in international financial institutions, to the

Democratic People's Republic of Korea, except in cases determined by the Security Council.

B. Obligation not to provide public financial support for international trade which could contribute to the nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes of the Democratic People's Republic of Korea

France has closed its credit insurance policy to the Democratic People's Republic of Korea.

IV. Diplomatic measures

France does not maintain diplomatic relations with the Democratic People's Republic of Korea.

V. Measures targeting scientific and technical cooperation

A. Prevent nationals of the Democratic People's Republic of Korea from receiving specialized teaching or training in disciplines which could contribute to prohibited programmes or activities

There is no scientific or technical cooperation between France and the Democratic People's Republic of Korea in the fields of nuclear science and technology, aerospace and aeronautical technologies, or advanced manufacturing production techniques and methods. At the request of the Ministry of Foreign Affairs and International Development, the Ministry of National Education, Higher Education and Research will provide general information to institutions about the provisions of resolution 2321 (2016).

B. Suspension of scientific and technical cooperation

At the request of the Ministry of Foreign Affairs and International Development, the Ministry of National Education, Higher Education and Research will establish a procedure for the higher education institutions concerned to provide notification of their scientific and technical cooperation activities with the Democratic People's Republic of Korea.

There is cooperation in the field of archaeology and the Committee will receive notification thereof.

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Letter dated 28 February 2017 from the Permanent Representative of Poland to the United Nations addressed to the Chair of the Committee

On behalf of the Government of the Republic of Poland, I have the honour to submit relevant information on measures undertaken by Poland to implement the provisions of Security Council resolution 2321 (2016), in accordance with paragraph 36 of that resolution (see annex).

I would also like to emphasize that the Government of Poland remains at the disposal of the Security Council for any matters that may require further clarification.

(*Signed*) Boguslaw **Winid**
Ambassador
Permanent Representative

17-03584 (E) 080317

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Annex to the letter dated 28 February 2017 from the Permanent Representative of Poland to the United Nations addressed to the Chair of the Committee

Report of Poland on the implementation of Security Council resolution 2321 (2016)

On 30 November 2016, the Security Council adopted resolution 2321 (2016), in which the Council, expressing its gravest concern at the nuclear test conducted by the Democratic People's Republic of Korea on 9 September 2016 in violation of the relevant Security Council resolutions, condemned the ongoing nuclear and ballistic missile activities of the Democratic People's Republic of Korea.

In August 2016, Poland decided to issue a public statement underlining that nuclear tests constituted a violation of international obligations and were a threat to peace and security, and encouraging the Democratic People's Republic of Korea to return to the dialogue, including with the International Atomic Energy Agency (IAEA), and to allow its nuclear programme to undergo international checks.

Poland unequivocally voiced its support for new additional measures and co-sponsored Security Council resolution 2321 (2016), which further expanded economic sanctions already imposed on the Democratic People's Republic of Korea.

The system of sanctions imposed by the Security Council is implemented by the European Union in a uniform manner by adopting relevant legislation such as a decision or regulation issued on the basis of article 29 of the Treaty on European Union and article 215 of the Treaty on the Functioning of the European Union, respectively. It should be emphasized that these measures constitute an essential part of the European Union foreign policy tool that it uses to pursue objectives in accordance with the principles of the Common Foreign and Security Policy. It should be noted that, from a legal perspective, a regulation has a direct binding effect on all persons and entities, without a requirement that it be incorporated into national legislation, unless stipulated otherwise. Implementation at the national level is generally applicable to precise provisions, in which Member States are explicitly given latitude to cover a specific issue at the national level.

Poland, as a member of the European Union, implements provisions of a Security Council resolution by applying at the national level relevant European Union legislation. It should be underlined that the European Union regards activities of the Democratic People's Republic of Korea as a significant threat to global security. Therefore, restrictive measures against that country have been adopted for the past decade, with Council Regulation (EC) No. 329/2007 of 27 March 2007 concerning restrictive measures against the Democratic People's Republic of Korea amended correspondingly in line with Security Council resolutions.

Considering that the actions of the Democratic People's Republic of Korea constitute a grave threat to international peace and security in the region and beyond, the European Union decided to further expand its restrictive measures targeting the nuclear, weapons of mass destruction and ballistic missile programmes of the Democratic People's Republic of Korea. The comprehensive legislative package establishing stringent measures at the European level in order to enshrine

legal steps undertaken by the Security Council in its resolution 2321 (2016) was adopted by the European Union accordingly in Council Decision (CFSP) 2017/345 of 27 February 2017 amending Council Decision 2016/849/CFSP concerning restrictive measures against the Democratic People's Republic of Korea and Council Regulation 330/2017 amending Council Regulation (EC) No. 329/2007 concerning restrictive measures against the Democratic People's Republic of Korea.

These additional measures, set forth in the above-mentioned legislation, include the measures set out below.

Trade and transport sector

In the trade and transport sector, such measures include:

- Limits on coal that may be imported from the Democratic People's Republic of Korea, along with an established mechanism of monitoring and verification
- Export bans on copper, nickel, silver, zinc, statues, helicopters and vessels
- Enhanced inspection of cargo within or transiting through the territory of European Union member States, including cargo being transported by rail and by road
- Subjection of personal luggage and baggage of individuals to controls in the same manner as cargo in order to prevent bulk cash smuggling.

In line with national statutory requirements, the Customs Service and the Border Guard may undertake checks based on the principles and procedures set forth for customs control or border control. The principal roles of the Customs Service include exercising customs control on commercial international exchange, fighting against smuggling activity and combating customs fraud. In order to discharge the above-described roles and responsibilities, the Customs Service cooperates with other services in the country such as the police, the Border Guard and the General Customs Inspectorate. Considering the stringent sanctions regime against the Democratic People's Republic of Korea that has already been in place, enhanced scrutiny and checks have been carried out by the Customs Service and the Border Guard on a regular basis. It should be noted that, with respect to the prohibition of transfer or export of certain goods, such as gold and other precious metals, penalties for non-compliance with European Union rules imposing a ban on such imports and exports, as well as the provision of services, are set forth in the Act of 10 September 1999 — Fiscal Penal Code (*Official Journal of Laws* (2013), item 186).

A system of penalties for the infringement of rules has been envisaged in chapter 7, which enumerates fiscal offences and fiscal misdemeanours with regard to customs duties and rules of foreign trade in goods and services. Given these rules, penalization covers, inter alia, customs smuggling and customs fraud. Numerous penalties range from a fine of up to 720 daily rates[1] to imprisonment or joint penalties. In less serious cases, a perpetrator is subject to a fine imposed for misdemeanours.

[1] The daily rate is calculated by the court, which takes into account the income of the perpetrator, as well as his or her personal and family circumstances, property and earning capacity.

As far as potential cash smuggling is concerned, it should be underscored that there is also a relevant customs declaration system in place. Cash carried by any natural person entering or leaving the European Union is subject to the principle of obligatory declaration. In accordance with article 3 of regulation No. 1889/2005 of 26 October 2005 on controls of cash entering or leaving the Community, there is a general obligation to declare cash of a value of €10,000 or more. Pursuant to national legislation, declaration requirements also encompass foreign exchange, gold or platinum. In accordance with article 18 of the Act on Foreign Exchange Law (*Official Journal of Laws* (2013), item 1036), residents and non-residents crossing the State border are obliged to report in writing, to the Customs Service or the Border Guard, imports into the country and exports abroad, foreign exchange, gold or platinum, regardless of the amount, as well as currency, if its value exceeds the equivalent of €10,000. In order to determine if imports into the country of foreign exchange, gold or platinum are in accordance with the provisions of the Act, the Customs Service and the Border Guard may undertake checks in line with the principles and procedures set forth in the regulations on customs control or border control. Under article 106f of the Fiscal Penal Code, non-compliance with the declaration requirement is categorized as a fiscal misdemeanour and is penalized by a fine.

Financial sector

In the financial sector, measures taken include:

- Prohibition on the provision of public or private financial support for trade with the Democratic People's Republic of Korea, including the granting of export credits, guarantees or insurance to their nationals or entities involved in such trade
- Closure, within 90 days of the adoption of Security Council resolution 2321 (2016), of existing representative offices, subsidiaries or banking accounts in the Democratic People's Republic of Korea
- Limits on banking services such as prohibition of the opening by credit and financial institutions of a bank account for diplomatic missions or consular posts of the Democratic People's Republic of Korea, and their members from that country, and authorization for only one account in the member State or member States in which the mission or post is hosted or to which its members are accredited.

It is worth noting that all addressees of the European provisions are required by virtue of law to apply the aforementioned provisions. It should be emphasized that all financial institutions are subject to supervision and monitoring, in the light of the binding sanctions regime. Apart from the statutory task of the financial intelligence unit to monitor compliance with the requirements under the anti-money laundering/combating the financing of terrorism act, it is stated in article 21, paragraph 3, that compliance monitoring of financial institutions may also be carried out by the Polish Financial Supervision Authority, within the legislative framework setting out the powers and functions of such authority. The supervisory powers, functions and responsibilities of the Polish Financial Supervision Authority is governed by the Act on Financial Market Supervision of 21 July 2006 (*Official Journal of Laws* (2016), item 174). The Polish Financial Supervision Authority is a body established to supervise the financial market in order to ensure its proper

functioning, security, stability and market confidence, as well as to ensure the safety of participants in the market.

In relation to specific financial institutions, supervisory power is executed in line with rules provided for in separate statutes. As far as banks are concerned, relevant instruments are listed under chapter 11 of the Banking Act; provisions pertinent to insurance are found under chapter 12 of the Act on Insurance Activity; with respect to securities, the relevant provisions are set out under the Act on Capital Market Supervision; and with respect to payment services, the relevant provisions are found under the Act on Payment Services.

Referring to the issues related to ceasing financial relationships with entities from the Democratic People's Republic of Korea, it should be noted that currently no entities from that country are present on the Polish financial market, including in the form of subsidiaries, branches or representative offices, nor are any entities linked to such undertakings. Furthermore, the Polish Financial Supervision Authority has not issued permits to conduct business activity by Polish banks on the territory of the Democratic People's Republic of Korea in the form of a subsidiary bank, branch or representative office.

It should also be mentioned that the Democratic People's Republic of Korea is called a high-risk and non-cooperative jurisdiction by the Financial Action Task Force. Statements of the Task Force are implemented by financial sector entities in their internal procedures, and it is mandatory to take enhanced measures against entities from these countries. Preventive measures undertaken by financial market entities are subject to verification during inspections, both in reviewing and verifying the customer base and analysing and verifying a set of documents pertinent to a particular customer.

There are various other measures provided, such as vigilance and prevention of the provision of specialized teaching or training of nationals of the Democratic People's Republic of Korea, the suspension of scientific and technical cooperation, and a travel ban applicable to persons covered by Security Council resolution 2321 (2016).

In addition, there is a prohibition on leasing or otherwise making available real property, directly or indirectly, to persons, entities or bodies of the Government of the Democratic People's Republic of Korea, for any purpose other than diplomatic or consular activities, or engaging in any activity linked to the use of real property. These provisions are enshrined in relevant provisions of the aforementioned European Union decisions and regulations. In February 2017, Poland submitted a written diplomatic note to diplomatic representatives of the Democratic People's Republic of Korea, underlining legal obligations arising from international norms to cease any activity that might be in breach of both Security Council resolution 2321 (2016) and European Union legislation, in particular with regard to diplomatic premises.

The existing European Union measures implement all Security Council resolutions adopted after the Democratic People's Republic of Korea's nuclear tests and launches using ballistic missile technology and already include additional autonomous measures. Prohibitions on the export and import of arms, goods and technology that could contribute to nuclear, weapons of mass destruction and ballistic missile programmes, and other restrictions in the financial, trade and

transport sectors, have already been put into place. Poland has also actively joined the European Union in efforts to create and adopt its own autonomous set of sanctions, complementing and reinforcing the sanctions regime imposed by the Security Council. Various legal mechanisms, referred to as autonomous measures, are subject to thorough consideration at the European Union level in order to reflect the United Nations mechanism, in line with the principles of the European Union treaties.

Taking into consideration the aforementioned, we firmly believe that Poland acts fully in line with international obligations. However, it should be underscored that Polish authorities analyse any possible additional steps that may be undertaken at the national level to enhance measures imposed against the Democratic People's Republic of Korea.

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Note verbale dated 28 February 2017 from the Permanent Mission of Romania to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Romania to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to submit herewith the national report of Romania on the implementation of resolution 2321 (2016) (see annex).

17-03589 (E) 090317

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Annex to the note verbale dated 28 February 2017 from the Permanent Mission of Romania to the United Nations addressed to the Chair of the Committee

Report of Romania on the implementation of Security Council resolution 2321 (2016)

I. Legal background

On 30 November 2016, the Security Council adopted its resolution 2321 (2016) concerning the sanctions regime against the Democratic People's Republic of Korea, which expanded the ban on the supply, sale, transfer, export, procurement and import to new categories of goods and further tightened the restrictions on existing categories, expanded the restrictions on the transport sector and reinforced the inspections regime of goods arriving from or en route to the Democratic People's Republic of Korea, placed additional restrictions on the banking and financial sectors, restricted scientific and technical cooperation with the Democratic People's Republic of Korea and acted to further prevent and curtail illegal activities by officials and diplomats of the Democratic People's Republic of Korea.

Within the European Union, the listing of 11 persons and 10 entities by resolution 2321 (2016) was implemented by Council decision (CFSP) 2016/2217 and Commission Implementing Regulation (EU) 2016/2215.

The competent national authorities of Romania have updated their websites since the adoption of resolution 2321 (2016) in accordance with the changes ushered in by its provisions.

II. Implementation of the sanctions regime

The competent national authorities were notified without delay after the adoption of resolution 2321 (2016), and they have taken measures conducive to the implementation and supervision of the sanctions regime.

A. Restrictions on the supply, sale, transfer, export, procurement and import of certain categories of goods

The prohibitions concerning nuclear- and/or missile-usable items (para. 4 of resolution 2321 (2016)) and goods on the conventional arms dual-use list (para. 7) are being implemented by the National Authority for Export Controls. The Ministry of Business Environment, Commerce and Entrepreneurship has taken note of the prohibitions concerning luxury goods (para. 5); coal, copper, nickel, silver and zinc (para. 26); statues (para. 29); and new helicopters and vessels (para. 30). The National Authority organized an awareness session in which it presented the embargoes imposed by resolution 2321 (2016) to economic operators involved in the production and sale of dual-use goods and to export control authorities.

Furthermore, the National Bank of Romania and the Financial Supervisory Authority of Romania have been notified of the restrictions concerning the provision of services related to the above-mentioned goods.

The Directorate General for Customs has implemented specific measures for the control and supervision of goods entering and exiting Romania, in line with para. 6 of the resolution.

B. Travel ban and asset freeze

The implementation of and compliance with the restrictions provided by paras. 3, 15 and 25 of resolution 2321 (2016) are subject to the continuous monitoring of the Ministry of Internal Affairs and the Ministry of Foreign Affairs (travel bans). Thus, the new listings have been implemented in the relevant databases for the issuance of visas and for border control. Furthermore, the Romanian Civil Aviation Authority shall not grant permission for the overflight of listed persons.

The National Agency for Fiscal Administration and the National Bank of Romania are the competent national authorities for the implementation and supervision of the asset freezes enshrined in para. 3. All banks operating in the territory of Romania have been informed, and while there were no assets falling under the ambit of para. 3, the implementation of this measure is subject to continuous supervision.

C. Restrictions concerning the activities of embassies/consular posts and diplomats/consular officers of the Democratic People's Republic of Korea

Para. 14 of resolution 2321 (2016) provides for a reduction in the number of staff at diplomatic missions and consular posts of the Democratic People's Republic of Korea in the territories of the Member States. Para. 16 of resolution 2321 (2016) restricts the number of bank accounts to one per embassy/consular post and one per diplomat/consular officer in each host State. On the date of the adoption of resolution 2321 (2016), the Embassy of the Democratic People's Republic of Korea in Bucharest had multiple bank accounts opened at banks registered in Romania. Following the measures taken by the National Bank of Romania, in coordination with the banks concerned, the Embassy of the Democratic People's Republic of Korea has been notified of the need to respect the provisions of para. 16. Furthermore, para. 18 of resolution 2321 (2016) bars the Democratic People's Republic of Korea from using real property that it owns or leases for any purpose other than diplomatic or consular activities. At the time of the adoption of resolution 2321 (2016), the Embassy of the Democratic People's Republic of Korea in Bucharest was renting buildings within its premises to certain entities.

The Embassy of the Democratic People's Republic of Korea was notified through diplomatic channels of the need to comply with these restrictions. Measures to ensure conformity are being taken, while a review of the number of staff at the Embassy in Bucharest is subject to the scope of the functions of each diplomat of that country; two diplomats at the Embassy are charged with administering bilateral relations with three other European States, while the Ambassador and the Second Secretary administer bilateral relations with Romania.

D. Restrictions on teaching, training, scientific and technical cooperation

There are no students from the Democratic People's Republic of Korea in Romania enrolled in programmes that contravene para. 10 of resolution 2321

(2016). Furthermore, there is no scientific and technical cooperation under way with the Democratic People's Republic of Korea.

E. Catch-all inspections

The implementation of the inspections provided for by para. 20 of resolution 2321 (2016) is carried out by the Directorate General for Customs and the Ministry of Internal Affairs. The enforcement of said restrictions is subject to continuous scrutiny by the competent national authorities.

F. Restrictions on air and maritime transport

The specialized authorities, that is, the Romanian Naval Authority and the Romanian Civil Aviation Authority, under the Ministry of Transport are tasked with the implementation and supervision of the restrictions enshrined in paras. 8, 9, 22, 23 and 24 of resolution 2321 (2016). Thus, all Romanian aircraft operators and naval service providers have been informed of the relevant provisions of resolution 2321 (2016).

G. Financial sanctions

The sanctions that concern the financial and banking sectors, as set out in paras. 31 to 33 of resolution 2321 (2016), and the provision banning the relevant services linked to prohibited goods and activities, are subject to careful scrutiny by the National Agency for Fiscal Administration, the National Bank of Romania and the Financial Supervisory Authority. The banks have been instructed by the National Bank of Romania to comply with the measures imposed by the resolution, and most banks have incorporated a ban on business relations with the Democratic People's Republic of Korea into their internal regulations.

The Financial Supervisory Authority has instructed the economic operators under its sphere of control on the restrictions concerning the conclusion of insurance contracts and the provision of public or private financial support.

17-03589